States and Territories.	Organized.	In liquidation.	Insolvent.	In operation.
Maine	104	21	......	83
New Hampshire	67	7	4	56
Vermont	71	16	7	48
Massachusetts	300	70	10	220
Rhode Island	65	37	......	28
Connecticut	103	19	4	80
Total, New England States	710	170	25	515
New York	555	144	42	369
New Jersey	159	16	7	136
Pennsylvania	762	89	25	648
Delaware	24	......	......	24
Maryland	97	8	1	88
District of Columbia	21	5	3	13
Total, Eastern States	1,618	262	78	1,278
Virginia	102	16	6	80
West Virginia	87	11	......	76
North Carolina	57	8	4	45
South Carolina	31	7	1	23
Georgia	76	14	6	56
Florida	40	4	8	28
Alabama	74	11	6	57
Mississippi	30	4	2	24
Louisiana	46	6	5	35
Texas	524	77	26	421
Arkansas	31	4	4	23
Kentucky	156	35	4	117
Tennessee	97	27	7	63
Total, Southern States	1,351	224	79	1,048
Ohio	488	134	16	338
Indiana	265	72	13	180
Illinois	437	90	17	330
Michigan	185	83	14	88
Wisconsin	165	47	3	115
Minnesota	265	37	7	221
Iowa	360	74	13	273
Missouri	162	58	10	94
Total, Middle States	2,327	595	93	1,639
North Dakota	105	8	12	85
South Dakota	94	19	9	66
Nebraska	226	54	20	152
Kansas	287	89	34	164
Montana	52	14	10	28
Wyoming	24	3	2	19
Colorado	94	23	9	62
New Mexico	31	6	4	21
Oklahoma	106	6	4	96
Indian Territory	116	3	1	112
Total, Western States	1,135	225	105	805
Washington	88	31	22	35
Oregon	57	12	6	39
California	97	13	6	78
Idaho	32	6	1	25
Utah	22	6	1	15
Nevada	4	1	1	2
Arizona	15	3	......	12
Alaska	1	......	......	1
Total, Pacific States	316	72	37	207
Hawaii	2	......	......	2
Porto Rico	1	......	......	1
Total, island possessions	3	......	......	3
Total of United States	7,460	1,548	417	5,495

The Bankers magazine

The BANKERS' MAGAZINE

59TH JANUARY 1905 Year

CONTENTS

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THE

BANKERS' MAGAZINE

RHODES JOURNAL OF BANKING AND THE BANKERS' MAGAZINE

CONSOLIDATED

VOLUME LXX

JANUARY TO JUNE

1905

NEW YORK
THE BANKERS PUBLISHING CO., PUBLISHERS
87 MAIDEN LANE

NOTICE.—The BANKERS' MAGAZINE having been consolidated with RHODES' JOURNAL OF BANKING, the volume number of the former only is retained.

BOUND VOLUMES.—Beginning with July, 1895 (consolidation of the BANKERS' MAGAZINE with the JOURNAL), the volumes comprise the numbers for six months.

Price, bound in cloth with leather backs and corners, $3.50 a volume. By mail or express, prepaid, 40 cents additional.

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THE BANKERS' MAGAZINE

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FIFTY-NINTH YEAR. JANUARY, 1905. VOLUME LXX, No. 1.

THE RECENT ATTACK ON STOCKS by newspaper advertisement is a new illustration of the possible power of the advertiser, in new and unexplored directions. It may be said that the LAWSON attack was admirably timed and that it might not have been effective, if conditions had not been favorable. But this is reasoning in a circle. The advertiser would have wasted his money if he had not been reasonably sure of the situation, and that all that was needed was to start a stampede. It may be said that the catastrophe would probably have been delayed longer, but for the active push given by the advertisements.

It is evident from the effect of this move that a new force will hereafter have to be reckoned with, although the real conditions of the stock markets will not be changed very greatly by advertising methods, but close observers, or those who become possessed of advanced information, can to some extent invite the co-operation of the public in their plan of campaign at any given time. Any prominent financier whose name has been associated in the minds of the public with some particular stock, can obtain a following by advocating his intentions. Why other financiers have not done so before is the wonder rather than that LAWSON has done so now.

This move made by LAWSON has been successful, but there is no doubt that the plan might have proved a boomerang. The public may not always accept the capitalistic advertiser who appeals for confidence and support in his operations. Sometimes they may follow and again they may not. In fact, if those whom MR. LAWSON dignifies as his opponents should adopt his methods, the one system of advertising would neutralize the other. What could the speculative public think, were a number of the great capitalists to have columns of contradictory advice appearing in the daily papers in paid advertisements. It would be good for the papers, but bewildering to the investing public. But if LAWSON'S example is followed, it must come to something of this kind.

The effect of reckless raids on stocks, such as have characterized the money markets of the United States, upon foreign investors is deplored in some quarters, but it is probable that these spectacular feats of a certain class of capitalists are recognized as having little influence in unsettling real values. The capitalist, little or big, who looks for permanent and steady revenues is not necessarily affected by them. In fact, such extravagant operations, by demonstrating to what destructive lengths speculation may go, have a tendency to deter many from taking risks that previously were regarded as moderate, and on the whole to lessen speculation. Foreign capitalists who formerly were willing to enter the speculative arena in the stock market will no doubt be less willing to do so than before, but capital from abroad seeking legitimate and permanent investment will not be greatly affected. Purely gambling speculations may tend to raise or depress unduly the particular securities at which they happen to be aimed, but they cannot have any permanent effect on the great mass of securities held as investments. No one of the great European money markets has been exempt from speculations of a similar character. The real wealth of any nation is not lessened because of unexpected transfers of portions of it from the pockets of one gambler to those of another. While inordinate speculation produces nothing, at the same time it is not destructive of anything, except in so far as it employs minds and talents that might be employed in better business.

The banks are often blamed because they furnish the money and credits with which these operations are financed. If the banks were injured by so doing, and thereby risked the funds entrusted to them by their customers, there might be some reason for such censure. The banks, however, are bound to use their money in the most profitable ways and so long as they do not violate law and have good security for what they loan, there is no reason for censure. In all the great agitations of the money market during the past five years no important loss appears to have been suffered by the banks. As has been suggested before, there is nothing to show that the interests of bank depositors have been jeopardized by stock market operations. No capitalist is forced to go into the game unless he sees fit to do so. The manner in which the experience of the last five years has shown how stocks may be manipulated for the advantage of speculators, is sufficient warning to any one who goes into a game of this kind of what he may expect.

While the public may not have any great love for those who seek to control certain lines of securities, yet it cannot be expected to waste much pity over those who, with their eyes open, are led by a thirst for gain to put themselves in a position where it is at least an equal chance that they will suffer loss.

The operations of Mrs. Chadwick are typical. They recall the methods of Madame Humbert with the French capitalists, and it can hardly be denied that in simplicity and audacity the Chadwick methods rather surpass those of the Humbert woman. In both cases a verisimilitude of solvency and ultimate solidity rested on an alleged deposit of securities. In both cases this deposit was shielded from examination by certain devices. The Humbert woman called in the aid of the French courts, while Mrs. Chadwick employed the Treasurer of a trust company to block any approach to her alleged treasures. The hollowness of the pretexts in each case was only finally proved when examination of the supposed securities was forced by exasperated creditors. Now that the methods employed have become known, when the public is permitted to look behind the scenes and behold the various pulleys and wires, the costumes and the masques employed, everyone wonders that experienced bankers and financial men should have been deceived by such crude devices. It is easy enough to see the bare walls and the daubed canvas which formed the real background of the enchanted vistas which paralyzed the common sense of Mrs. Chadwick's victims. This great operator appealed at once to their love of gain. She appeared in the character of an unsophisticated woman, who had suddenly come into the possession of an enormous fortune derived by inheritance. She seemed to do everything to encourage the belief that she had no idea of the value of money and was in fact squandering her fortune as far as the conditions permitted. The income, which alone she could handle, was insufficient for her extravagance, and like every distressed spendthrift it was necessary for her to borrow until such time as the principal of her fortune should come into her possession. From the earliest times spendthrifts of great expectations have been the natural prey of the money lender, and Mrs. Chadwick, to those of the species she came across, certainly appeared to be as fat and well feathered a goose as was ever ripe for plucking. Evidently the word was passed round among those who were looking for easy money, that there was a rare and noble opportunity. No one stopped to make the inquiries, which in the light of recent developments seem to have been so obviously natural. The receipt of Treasurer Reynolds was accepted as adequate evidence of the existence of the fortune, and the manner of its coming into her possession was plausibly explained by Mrs. Chadwick. She managed to throw a glamour of awe around the sources of her great wealth, by associating its origin with the name of Andrew Carnegie. It may be fancied that the original conception of the plan in the mind of this remarkable artist in deception did not contemplate some of the later developments of her plan. While this original conception necessitated the fraudulent use of Andrew Carnegie's name, it appears to have only contemplated such use for the manufacture of se-

curities which were to be sealed up and made the basis of subsequent operations.

The question naturally arises, Why did not the woman simply wrap up and seal a lot of blank paper; why did she take the risk of forging names, even without, at that time, of technically uttering her forgeries. The natural conclusion is that she feared that REYNOLDS, whom she had selected as her stalking-horse, might demand a look at the contents of the package. It is still involved in doubt, whether REYNOLDS did insist on seeing the securities or whether he accepted the package on Mrs. CHADWICK's say-so, and gave her a receipt purporting to assure all whom it might concern that he held in trust for Mrs. CHADWICK securities valued at more than five millions of dollars, giving this receipt without seeing more than the outside of a sealed package. If he did insist on knowing what was in the package, Mrs. CHADWICK was ready with stories of a deceased uncle and a left-handed relationship with ANDREW CARNEGIE.

The original conception seems to have contemplated nothing more than the placing of the securities and the obtaining of a receipt for them signed by a reputable and responsible banker. This plan was successfully carried out. In all probability, REYNOLDS himself was first approached for loans. It does not appear whether Mrs. CHADWICK had any money of her own at the time she started this deposit scheme. When she married Dr. CHADWICK he may have had some fortune. The probability is that the Doctor's money, whatever it amounted to, was about exhausted when his wife inaugurated her scheme. Whether she obtained her first loans of REYNOLDS or from some other banker or capitalist, it appears from the information that has become public that these first loans were paid from the proceeds of new and larger loans obtained from the same or other parties. After the start was successfully made, Mrs. CHADWICK could, in order to secure new loans, obtain more and more easily the aid through recommendation of those whom she had previously laid under contribution and who now sought repayment from the new loans. Naturally, paying large interest, and liberal bonuses to those who aided her as attorneys, agents or bankers, she could not have realized as much for her individual use from the later loans as she did from the first, and probably there came a time when the loans on the REYNOLDS' deposit did little more than pay interest and bonuses, and meet paper falling due. It is likely the CARNEGIE notes for $500,000 and $250,000, which figured in the case of the Oberlin bank, were afterthoughts—a departure from the original plan. By using these notes openly as collateral Mrs. CHADWICK stepped over the line of safety, and became liable to the penalties of forgery. This was outside of her original contemplation, and was probably a step forced by extravagance in the use of the original security package. But in the use of these notes the experience she had attained in making

large loans and the reputation she had successfully built up among banks and money lenders stood her in good stead. It cannot be believed that she could have secured loans from Oberlin College and afterwards from the President of the Citizens' National Bank of Oberlin, if there were not favorable opinions of her circulating among money lenders at that time. Of course, after the bank was once securely held, through the misconduct of its officers, they could deny her nothing. Possibly the Oberlin bank might have been saved, could Mrs. CHADWICK have secured another and richer victim from whose spoils she could have reimbursed the bank. The misfortune of the latter was to have come into the charmed circle when the game was near its end.

If it were possible for a court of equity to bring together all the banks and money lenders with whom Mrs. CHADWICK has had dealings, and if all their accounts could be audited and the various sums borrowed by Mrs. CHADWICK traced into her hands and out, it would perhaps be found that the amounts actually retained by her were small compared with the amounts apparently handled. The interest and bonuses distributed in the course of the transactions must have absorbed a large share of the sums loaned by the different banks and money lenders. The claims of the woman that she was hounded and blackmailed are no doubt in a sense true enough. She probably assented with an appearance of cheerfulness to demands that she could not refuse. But, of course, she brought it all upon herself. The officers of the Oberlin bank who were caught, because they happened to meet Mrs. CHADWICK when already nearing the end of her rope, are no more to be blamed than those who were fortunate enough to get out in time.

The plan, notwithstanding that to minds enlightened by the result it appears crude and full of imperfection, was practically calculated to deceive the very elect. The Oberlin bank officers were culpable when they loaned in excess of the ten per cent. limit, and for this they should be punished, but they were no worse than many other shrewd bankers and good business men when they became convinced of the sufficiency and genuineness of the security offered.

The real truth of all these operations will perhaps never be exactly known. These swindles are sure to take place about once in so often, and more frequently with the enlargement of the machinery of finance. When the Countess LAMOTTE engineered the scheme by which she gained possession of the queen's necklace, there was hardly any other country or city in the world except France and Paris where a suitable environment existed for such a piece of plotting. Now the Madame HUMBERT's and Mrs. CHADWICK's can find many countries where suitable conditions for their operations exist. Man is a gullible animal, and there is no bait so enticing as the one which appeals to his love of gain.

The offer of bonuses for bank loans, as revealed in the Chadwick case, suggests the possibility that such practices may not be uncommon. The offer of personal bonuses to those entrusted with the custody of other people's money is certainly a great lever in the hands of reckless and dishonest borrowers. As far as the officers of banks incorporated under National or State laws are concerned, there ought to be severe penalties imposed whenever the officers accept personal bonuses for loaning the banks' money.

Theoretically, of course, the board of directors is supposed to pass on all proposed loans. It is well known, however, that the decision of the board of directors in the case of particular loans depends upon the advice of the working officials. The temptation to intimate that a loan is all right, when the President or Cashier has an interest created by a bonus, is very great. Even where the loan would otherwise be unobjectionable, the practice of expecting and taking money from borrowers in excess of the regular rates of interest is an injustice to borrowers, and creates discrimination in the distribution of the facilities of a bank. As there is reason to suspect that this practice on the part of bank officials is indulged in to a much greater extent than formerly, it ought to be made the subject of investigation by legislators and by the executive officers whose duty it is to enforce the banking laws.

The higher types of bank officers have the honor and reputation of their calling at heart and look upon such a use of their power as disreputable. While the great majority of the bank officers of the country are of this type, yet it is almost certain that occasionally there has been a letting down of the high morality that becomes indignant at being aproached in this way. The honest and upright bank officer would feel insulted by offers of a bonus. Modern hustling methods in general business and the desire to succeed without regard to the means employed, have, however, begun to taint some of those who belong to the banking fraternity. The history of bank failures abounds with instances of the downfall of bank Presidents and Cashiers who have been tempted to use their opportunities in this way. Not only should legislators and executive officers who make and enforce the banking laws, take note of this tendency and take measures to restrain it, but those to whom, as directors, banking interests are entrusted, should be constantly on the watch against the acceptance of bribes in the form of bonuses by their officers. Where a bonus is legitimate, as it may be in some cases, it belongs to the bank and not to the officers. But usually the party offering the bonus does so because expecting to obtain a degree of favor to which he is not entitled. The hustling business man may gloss over his conduct in securing the end he has in view, with that vague phrase, used as a cover to many irregularities, business is business, but if he ever reflects, he very well

knows that it is plain bribery he is employing. Banking today is the ultimate foundation on which the business of the country rests. Much irregularity may exist in ordinary business dealing, and the consequences may not be very serious, but when dishonesty and bad faith begin to pervade banking methods, the whole foundation of prosperity becomes rotten. It is, however, one of the advantages of a system made up of large numbers of independent banks of moderate size, that this kind of defect of honesty cannot proceed very far without discovery. It was possible for the Bank of Amsterdam to go on for over fifty years and conceal the fact that its resources had been dissipated. But what was possible for a great monopolistic institution could not happen with the smaller local banks forming the banking system in this country. Nevertheless, while the loss and distress caused by the bank failure here is localized and does not spread far, yet it is not the less ruinous to the business circle where its influence is felt.

Congress and the State legislatures should take notice of all practices dangerous to banking integrity, as they arise from time to time, and take steps to make them dangerous to the perpetrators. It is not to be expected that a law penalizing the taking of bonuses by bank officers would absolutely suppress everything of this sort. Bribery is a most insidious evil. Nevertheless if this so-called business method were declared by law to be a crime, it would deter those who now use it thoughtlessly and would prevent it from growing into dangerous proportions.

THE UNAUTHORIZED USE OF GREAT FINANCIAL NAMES as the basis of her transactions was managed with a skill amounting to genius by Mrs. CHADWICK. Recent dispatches intimate that she availed herself of MARK HANNA's name as well as that of CARNEGIE. Those who have made a study of financial mystifications of this kind have been inclined to think that this much-talked of woman's scheme has been surpassed in many respects by those of certain of her predecessors in the art. The diamond necklace woman, for instance, provided for her own escape. After she spirited away the necklace she had six months or more in which she could have gone to regions out of reach of the French police, where she could have enjoyed her plunder without molestation. The plan of the HUMBERT woman also at first sight seemed to excel that of Mrs. CHADWICK in that there was no real person involved who could deny authoritatively that her securities had value. One word from ANDREW CARNEGIE and the CHADWICK securities shrivelled up. The artist, however, has to adapt her plans to the environment. The modern system of extradition treaties prevented both Madame HUMBERT and Mrs. CHADWICK from making a provision for flight to other countries. And the exam-

ple of the Countess DE LAMOTTE, who did not after all avail herself of her power of flight, but who relied on further mystification to escape with a comparatively light punishment, seems to have been in the minds of these later financial jugglers. Both of them appear to have provided material for future mystification.

All of these heroic women seem to have had in mind that the grandeur of their schemes would have the effect of making the public believe that there must be some foundation to their claims, and that like the ancient augurs, they knew, but would not tell. At any rate they seemed to have a confidence, if all the true inwardness of their operations was laid bare, that their colossal impudence would make any punishment seem inadequate. In other words, when the question should be asked, What shall be done with them, the public would in fact regard it as an insoluble conundrum and give it up.

But Mrs. CHADWICK apparently had something which went beyond either of her two celebrated predecessors, in the chance that before her forgeries were discovered the bearers of the names she employed might die. If it be true that she has used as security notes bearing the name of MARK HANNA, then chance has aided her in his case. If CARNEGIE had died, before suspicion had been roused, it would at least have been a difficult matter to have absolutely proved forgery against her, and there would have been an excellent chance for stirring up such clouds of uncertainty that the heirs of these men might have agreed to a settlement. The fact that CARNEGIE is yet on hand to deny his alleged signatures, protects the HANNA heirs against the HANNA notes, if there are such.

Every artist of this kind has necessarily to take great risks, and it is nothing against the genius of Mrs. CHADWICK'S plans that fortune was against her. The great NAPOLEON himself could not always command success.

The really successful schemes of this kind would probably never be heard of. Every point would be so fully provided for, and every move be so successfully carried out, that the victims would find themselves in complete check, and impotent to reach the artist who had mystified and defrauded them. Luckily frauds so successfully brought to a conclusion are probably rare. The rule in general is that murder will out, and that the way of the transgressor is hard.

It is a question whether the contrivers of great plans of any kind, whether working among realities with an honest purpose, or in the realm of imitation of realities, have any sense of humor. Great inventors seem to be notably devoid of this element. It has also been held by philosophers that the sense of humor is less developed in woman than in man. It is perhaps remarkable, that while male swindlers are not unknown, that none of them has ever single handed attained to the heights reached by

the three women named above. CAGLIOSTRO himself was made a dupe and a victim by the Countess DE LAMOTTE. These eminent women went about their plans with a self-containment, an earnestness, and an unconscious intuition of the weaknesses of human nature. A sense of humor would have interfered with the directness with which they dealt with their dupes and puppets. They had no time to stand aside and laugh, however funny the situation now seems to the scoffing public. They were no more amused than is the hunter when in answer to his call the fated turkey gobbler walks into his snare. They were intent on seizing the prize.

Another feature of their schemes is that while they had confederates, these confederates were generally unconscious of the part they were playing. Only in the mind of the artist was the plot known as a whole. The Countess DE LAMOTTE, had king, queen, cardinal and several less important figures, moving and meeting and passing and repassing, all ignorant of how they were being directed toward a general rendezvous to carry out the hidden design of the directress.

Mrs. CHADWICK has had millionaires, capitalists, shrewd bankers, wise money lenders, all unconscious of each other, but all moving obediently to her will. Each one seemed bound with invisible chains preventing all variation from the road marked out by the director of the puppet show.

The reason of her downfall is the same that explains that of Napoleon. It is only by renewed conquests of greater and greater difficulty, that the conqueror can maintain his prestige. Moderation which alone might induce a pause before the limit of safety is reached has no place in such minds. If Mrs. CHADWICK had been content with moderate loans, on her alleged securities, she might perhaps have lived at ease until after the death of HANNA and CARNEGIE, and then have been moderately sure of securing from the heirs of these men at least a portion of the enormous sums which she alleged they held for her.

THERE IS A RENEWED EFFORT on foot in Ohio to secure legislation providing for a more careful supervision by State officers of the banks and financial institutions organized under State law. It will be remembered that such a bill was before the Legislature last winter, and is said to have been defeated by the influence of the State banks. Theoretically the bankers of the State are in favor of such a measure, but practically they are not. Every banker would like to have all other institutions but his own placed under State inspection.

The recent failures in Ohio have been quite evenly divided between the banks that are examined, and those which are not; that is, between

the National and the State institutions. So far as has been made public, the failure of the Oberlin bank seems to point to Government examinations as futile as preventive measures. In the case of this institution the examiner appears to have reported the bank to be making loans in excess of the legal limit as early as April, 1904. It certainly does not seem as if the blame for the failure should attach to the examiner, or that, as has been intimated, there is any reason for retiring him from his position. The examiner merely reports conditions to the Comptroller of the Currency, and if any one is to blame for inaction on the information concerning over-loans contained in the April report of the National bank examiner, it would seem to be the Comptroller. The public is doubtless familiar with the reasons which are given for inaction in such a case. Prosecution of the officers of a bank previously in good standing would bring on a run and jeopardize the stockholders and depositors. On the other hand, supposing the loans to be well secured although technically illegal, by holding off a few months, the loans may be paid, the bank placed in condition to meet a run. Then the Comptroller could prosecute the officers, and bring them to punishment. All this has been said as an excuse for the non-prosecution of the Oberlin bank officers when in April it was found that they had violated the law by over loaning the bank's funds. It is a very plausible explanation, but it proves too much in that it virtually admits that the National Bank Law against over-loaning and its penalties are not preventive, but can only be enforced after violation has brought disaster on the bank.

It cannot be doubted that, as in the case of the Oberlin bank, the Comptroller's office has reports from many examiners showing that National banks frequently violate this law. The loans are collected in most cases very often by an order from the Comptroller, and the bank is uninjured. The officers who permitted the loans are liable to the legal penalties, but who ever heard of their being prosecuted?

If Mrs. CHADWICK had paid her loans to the Oberlin bank, the President and Cashier would have gone on not only without prosecution, but with the continued respect of their fellow citizens and associates. It is a fallacious excuse for refusing to execute the law, that damage will come to the bank involved. If its solvency is endangered by the loans, then immediate prosecution will save many innocent parties from placing money with an institution liable to fail and perhaps much will be saved by a prompt liquidation, which would be lost by delay. If the bank's solvency is not endangered by the excess loans, immediate prosecution might close its doors, but could inflict no ultimate loss. The practice of violating the law is in the long run attended with danger, and should be stopped at all hazards. If the Comptroller had prosecuted Messrs. BECKWITH and SPEAR, as soon as the April examiner's report showed that they had loaned

to one person more than ten per cent. of the bank's capital, a very large part of the bank's resources, which were afterwards dissipated by these men in the attempt to cover up and retrieve a hopeless loss, might have been saved. No doubt the bank might have been temporarily closed, but it could have reopened without much loss to any one. There may be circumstances which will relieve the Comptroller from blame in this matter, but it is difficult to see what they are.

Such instances go far to make it believed that the boasted system of Government examinations are, as far as prevention of failure goes, nothing but a farce. The only argument for adopting a system of examinations of State banks in Ohio was the frequent failure of the State banks. It was thought that such failures might be very much reduced by a system of Government inspection, similar to that conducted under the Comptroller of the Currency in the case of the National banks. Such startling shortcomings in the Government system as have been shown by the Oberlin bank instance will not encourage faith in examinations as a remedy for State bank failures. The Comptroller's office should rid itself of ingeniously constructed excuses for not enforcing the penalties for violation of the banking law. Making short work of such violations would soon accustom the public to believe that the bank might still be safe even though a President or Cashier or director, hitherto relied on was pulled up and punished for a violation of the banking law. It is often heard that such a one was guilty of a technical infringement of a statute. As far as this is any reason for allowing the violator to escape punishment if it could have any application whatever as an excuse, it would mean simply that a law had been violated ignorantly, with no intent to deceive or desire of personal profit. But even ignorance is no legal excuse. When the excuse of technical violation is used to belittle the criminality of an act showing neither ignorance, honesty nor lack of greed, the term is entirely misused.

In view of recent bank failures and especially that of the National bank at Oberlin, Congress has good reason to inquire into the methods of the Comptroller's office in enforcing penalties for violations of law when the solvency of the bank, otherwise unsuspected, may be seriously affected. In such a case it can of course only be a choice of evils, but common sense seems to point out that it must be the lesser evil to put as quick a stop as possible to the control of bank officers whose disregard of law shows them to be unfit for their positions.

The shortcomings of the system of National bank examinations will deter Ohio legislators from adopting a similar system of State inspection of State banks, and the latter may draw from such shortcomings to aid them in opposition to such legislative action.

THE NEW YEAR opens auspiciously for business. There are no serious clouds on the horizon to arouse apprehensions of hidden possibilities of disaster. On the contrary there are many signs to encourage the belief that the coming season will be one of great activity in business. The superstition of the presidential year cast something of a shade over the spirit of enterprise during the year 1904. The result of the presidential election indicates that there was a widespread feeling of contentment with present conditions. Desire for change and excitement is one of the symptoms of discontent. The comparative freedom from speculation as to what is likely to happen to the business world next spring or summer which has characterized the beginning of the year is further proof of the general feeling of contentment with present conditions. Those who are satisfied with the present do not care so much to know the future. This could probably be verified by a statistical research into the state of mind and fortune of those who make up the clientele of the modern fortune teller. Of course enterprise is the result of a desire for improvement or betterment of conditions, public and private.

It may therefore be plausibly argued that the absence of complaint and apparent satisfaction with present conditions may be adverse to any great undertakings for the coming year. It is believed, however, that the present contented frame of the public mind merely indicates a confidence in sufficient existing strength to be able to wait for good opportunities. Driven by necessity people may both find and make opportunity, but under such circumstances there is invariably an unnecessary waste of force. The degree of resource and confidence of stored capital that enables people to select their own time and occasion enables the greatest accomplishment with the least expenditure of labor. Much of the so-called pressure and hustling of American life has been due to the lack of a proper foundation for an effective and successful start. Under our modern industrial system there must be a great waste of energy in looking for suitable opportunities for remunerative effort. The times when this waste in hunting jobs, little and big, is reduced to a minimum are the best.

It seems as if the year 1905 were opening with the people who compose this Nation confident of their resources, confident of their ability to use them, and knowing more than usual in what direction they intend to direct their energies. Under such circumstances there is not much to be said. Business men and workers are not usually communicative of their intentions. In fact, when there is much babbling as to what will be done, what is designed to be undertaken shortly, there is reason to suspect that speech is usurping the place of action, and that there is a desire to hide unfortunate conditions by keeping up appearances. Periods of business success generally start in quickly and the full extent of achievement is seldom realized while it is progressing.

COMBINING GAMBLING AND THRIFT.

Close on the heels of the plan of the Socialists to enlarge the scope of the French public debt so as to give annuities to working men, by means of a lottery loan, comes the news from Germany of a philanthropist who has presented to the government of that country a scheme for combining a workman's Savings bank with an elaborate national lottery. It is not necessary to dwell on the demoralizing tendency of lotteries, both to those who originate them and those who risk their money in them; nor upon the specious and plausible, but utterly fallacious, reasoning by which lotteries recommend themselves to the unthinking. In an article on the French scheme in the October number of this MAGAZINE that phase of the subject was elucidated. But there should be some consideration of the motives which induce alleged economists and financial ministers in this century of supposed universal enlightenment to propose and seek to put into practice such a form of gambling ultimately so ruinous to the man who earns his small income by his own exertions.

The author of this proposed German scheme is Herr Scherl, the proprietor of the Berlin "*Lokalanzeiger*." He has interested the Prussian Minister of the Interior, who has made a speech in favor of it, urging that the hope of winning a prize would encourage thrift more than an ordinary Savings bank.

The desire to obtain distinction and perhaps the hope of reward easily explains why Herr Scherl should work his brains to concoct a scheme to the detriment of the class whom his paper represents. Such a plan in fact requires very insignificant ability for its invention, much less than the audacity which enables a man to advocate it. Probably any race-track bookmaker accustomed to calculate odds could give Herr Scherl points in drawing up a lottery prospectus.

Although the details of the plan are not at hand, reduced to its lowest terms and at its best it can be nothing more than a proposition to a workingman to deposit his earnings in a Savings bank, and by that act secure the right to a ticket in a lottery, the funds of which are derived from the profits of the institution in excess of a reasonable rate of interest on deposit and expenses, which profits are obviously made from the use of the money of himself and his fellow workman.

This is a comparatively fair scheme. The injustice in it is that the excess profits belong to all the depositors and should be distributed in a pro rata dividend to all, instead of being made the prize of a few in a gambling game.

From the fact of the Minister of the Interior being interested it seems likely that there is somewhere in it a share for the State out of the fund ter of some difficulty to raise the revenue which the State requires, even in these modern days, statesmen who manage the finances have not apparently which will be accumulated. In countries of the old world, where it is a mat- advanced ethically very much beyond the financiers of the Seventeenth Century. Colbert, the minister of Louis XIV., viewed the general public as a goose, more or less feathered, which was to be plucked for the benefit of

the government. The science of taxation was to take as many feathers as possible with the least outcry from the victim. The science of encouraging the growth of feathers was then in its infancy.

The justice of the State's share in this Savings bank, with lottery attached, depends on whether the workingmen will not have to pay, in disguised form, heavier taxes than they ought to pay, and whether it will not give the governing class an opportunity to lighten their own just contribution to the State at the expense of the workman.

The establishment of a Savings bank under the auspices of the State with a lottery attachment ostensibly for the working classes, cannot in the nature of things avoid affecting the whole population, high and low, and by means of a monopoly of the insidious temptation held forth would soon seriously affect all existing banking interests.

It is well known here in the United States that the Savings banks, although primarily intended for the poorer working classes, are to some extent taken advantage of by the rich as well as the poor. A limit to the amount of deposit does not wholly prevent this. Of course, in this country Savings banks are numerous, and a limit is evaded by a rich man depositing up to the limit in as many separate banks as he chooses.

Admitting that this single institution proposed in Germany could not be thus taken advantage of, nevertheless there are other effective ways of depositing sums in excess of the limit. One of these would be to employ dummy depositors. But it is doubtful if the State, desirous of the success of the institution, and with the desire to make its share as large as possible, would seek to discourage rich men from depositing. If there were no bar to any one who wished to avail himself of this new depository, what bank in the country would not feel the effects of its competition? The insidious effects of a lottery conducted by the State would thus spread themselves among high and low alike. The encouragement of thrift is the veriest pretext. Those who would not save without this bank, would only save enough with it to satisfy their gambling instincts, while the majority of those who would save by means of an ordinary Savings bank would by patronizing this bank in the end lose the share of interest they would receive if a part of the profits had not been held back to pay the State's share and the lottery prizes.

It may, however, be admitted, owing to the lottery monopoly of the bank, that it would in the end become, at the expense of the other banks, a very profitable institution. Owing to this the evil results of the lottery feature might be disguised for a long time. As the profits increased the State would probably increase its share and finally the people would feel the results of overtaxation.

But the worst feature of all such plans is that they take advantage of and encourage a weakness of human nature. Man is, perhaps, already sufficiently the creature of circumstance and the victim of chance. From primeval times the constant struggle of the human race has been to raise itself as far as may be above chance. Every step toward a true civilization is one toward stability and certainty. Sagacity, calculation and foresight are considered high qualities. They are constantly exercised in the effort to overcome the natural uncertainties of life for ourselves and others. There are enough natural risks which men have to take, and which they are constantly trying with more or less success to overcome. The man becomes a useless member of society who ceases to struggle against circumstances and allows himself to become the sport of chance. There are enough fall by the way as it is. Is it the part of a government, especially of one reputed paternal, to encourage the people to trust to an artificial chance, and thus weaken their power to resist the natural difficulties which surround human existence?

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

STATE STATUTES RELATING TO TRUST COMPANIES.—*Cont'd.*

KENTUCKY.

Seven or more persons may incorporate for the purpose of "conducting a trust business." The capital must be not less than $15,000 in counties whose population is from 25,000 to 40,000; not less than $100,000 in counties whose population is from 40,000 to 100,000, and not less than $200,000 in counties having a larger population; provided, that in counties having a population of 25,000 or more, trust companies may be organized with a capital of $25,000 in cities of the fourth, fifth or sixth class. Fifty per cent. of the capital must be paid in, and the balance within one year. Copies of the articles of incorporation must be filed with the clerk of the county, and with the Secretary of State. Powers specified, to have the powers usual with corporations; "to exercise, subject to law, such powers as may be necessary to carry on its business;" to act as guardian of infants, executor, administrator or curator of estates of decedents, "committee of persons of unsound mind, receiver or trustee for persons or estates;" to act as agent or attorney for the management of estates, the collection of rents, accounts, etc., "and demands of every character;" to receive on deposit or for safe-keeping, gold, silver, money and other personal property. Such corporations are forbidden to loan on their own stock, and to purchase same except to prevent loss on a debt previously contracted, in which case such stock shall not be held longer than one year. No person shall be allowed to become indebted to the company in a sum exceeding ten per cent. of the paid-up capital and surplus, except that on good collateral or mortgage security the sum may be increased to twenty per cent. If the borrower is a director or officer of the company, he shall not be permitted to become indebted to the company in excess of ten per cent. of paid capital and surplus, unless the excess be secured by mortgage or pledge of real or personal property double in value the amount of such excess. When acting in trust capacities whose duties are regulated by law or subject to the control of courts, trust companies shall be subject to the same duties and responsibilities, have the same rights and powers, and receive the same compensation as would individuals acting in like capacities. But upon bonds required to be executed in such cases, the capital stock of the company shall be taken as the only security required, unless the court or some party in interest demands more. A trust company may hold real estate needed for its business, and for a period not longer than five years such real estate as is acquired in the satisfaction of debts due it. It may hold, operate, and manage real estate for others. Such companies are forbidden to engage in banking, or to buy or sell bills of exchange. But in counties having a pop-

*Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

ulation of less than 100,000, corporations may be formed, or old ones reorganized, to conduct both a banking and a trust company business. Such a corporation must have a paid capital of at least $50,000 before commencing business, except, that if the subscribed capital is $100,000 or over, one-half must be paid before commencing business, and the balance within a year. One-half of such capital "shall be securely invested for the trust business of the corporation, and shall at all times be kept separate and distinct from its other assets, and shall be primarily liable for its fiduciary obligations." The remainder of the capital may be used for its banking business, and the books must be so kept as to at all times show the condition of its banking business and of its trust business. The banking department is governed by the banking laws, and the trust department by the trust company laws. Stockholders are subject to double liability. A list of the stockholders and officers must be filed in January of each year with the Secretary of State. The capital and funds not held in a fiduciary capacity may be invested at the discretion of the directors; the trust funds, under order of court or as provided by law for the investment of other trust funds. Trust companies must make reports and be subject to examinations the same as banks; i. e., reports shall be made quarterly, and each alternate report shall be published in a newspaper published in the county, if any, and which has the largest bona-fide circulation in the county.

(Statutes, §§603–616. Laws of 1904, chapter 78.)

LOUISIANA.

Five or more persons may incorporate for the purpose of conducting a savings, safe deposit and trust banking business. Powers specified, to have succession for a period specified in the articles of incorporation, not to exceed ninety-nine years; to have the other ordinary powers of corporations; to hold real and personal property needed or convenient for the purposes of the association; the real estate that may be held is limited to such as is necessary for the proper transaction of the business and such as is acquired in satisfaction of debts, but the latter may not be held more than ten years; to accept and execute "trusts and agencies of any and every description which may be committed or transferred with their consent to them by any person or persons, corporation, board or body, public or private," or by State or United States courts; to act as executor, administrator, syndic, receiver, curator, tutor, trustee or assignee, "in the same manner and to the same extent and under the same conditions that natural persons may be so appointed;" but as curator of an interdict or tutor of a minor, it shall have charge of the estate only, not of the person, and the commissions allowed by law shall be equally divided between the company and the persons having charge of the person; to act as depository of funds held by persons or officers acting as fiduciaries; to do a banking business.

Regarding the trust business that may be undertaken, it is to be noted that the constitution and laws of the State prohibit trusts, as they exist elsewhere under the common law; and the trust company act specially provides that nothing therein "shall be construed as authorizing the constitution of any agency or trust in this State which is contrary to the public policy of the State of Louisiana, or which seeks to place the property of persons or estates in this State out of commerce, in contravention of the laws of inheritance of

this State, or of the prohibitions therein contained against *fidei commissa* and substitutions."

There is no limit specified to the number of directors, but a majority of them must be citizens of the State. The capital of the company, where it acts in fiduciary capacities, is to be taken as the security required by law for the faithful performance of duty; but the court may require other security. The court has power to examine the company at any time, or to order the State Examiner of Banks to do so. Money or property deposited by married women or minors is subject to their control. The company must keep a reserve of twenty-five per cent. of its demand deposits. Of this eight per cent. must be on the premises in cash. The remainder of the reserve may consist of deposits in other banks, or bills of exchange, or discounted paper maturing within not more than one year, or in State, United States or municipal bonds. The capital must be at least $100,000, of which at least $100,000 shall be paid in cash before commencing business.

Such companies have the powers and are subject to the regulations and liabilities of State banks. They may have branches within the limits of the municipality or parish. Trust funds may be invested in United States or State bonds, county, municipal and other public bonds of Louisiana and other States that are quoted at or above par and have not defaulted in interest for two years; stocks of railroads, canals and other quasi-public corporations quoted at or above par and having paid interest at not less than four per cent. for five years; or in first mortgages on real estate appraised at double the amount of the loan and said mortgages running not longer than ten years. Trust funds or property must not be included in the published assets of the company. Reports must be made quarterly on call of the State Examiner of Banks, and same must be published in a newspaper. Examinations are made by the same official, at his discretion or on order of the Governor or courts.

(Laws of 1902, Act No. 45. Act. No. 179.)

MAINE.

Trust companies are incorporated only by special acts of the Legislature, and their powers are defined in such special charters. There are a few general laws regulating such corporations. For purposes of taxation they are required to make returns to the State assessors semi-annually. They are subject to municipal taxation, the same as the shares of National banks, and must annually report lists of stockholders, value of property, etc. Money deposited in trust companies by minors or married women is subject to their order. Such corporations are forbidden to act as administrator or guardian, anything in their charters to the contrary notwithstanding. They must keep a reserve of fifteen per cent. of aggregate deposits payable on demand or within ten days. The stockholders are subject to double liability. The Bank Examiner has the same authority over trust companies that he has over Savings banks. He must examine them once a year. If he finds an unsafe condition he may apply to a justice of the supreme judicial court to issue an injunction to restrain such corporation from continuing business, and the justice may, in his discretion, appoint a Receiver. Trust companies must set apart one-tenth of net earnings to be added to a surplus fund each year until such surplus fund equals one-fourth of the capital. They are forbidden to

loan on their own stock, and to make loans to directors, officers or employees except on regular approval of the board of directors or executive committee. They are forbidden to maintain branches or agencies outside of their own towns.

The laws of this State relating to "trust and loan associations" do not refer to trust companies, but to building and loan associations.

(Revised Statutes, chapter 46; Laws 1889, chapter 312; Laws 1893, chapters 281 and 293; Laws 1895, chapter 48; Laws 1897, chapters 218, 247, 259; Laws 1899, chapter 68; Laws 1901, chapters 196 and 286.)

MARYLAND.

Trust companies in this State are incorporated only by special act of the Legislature. There was formerly a general law for the incorporation of such companies, which was repealed in 1890. (Chapter 272, Laws of 1890.) The special charters define the powers and duties of such companies, which are usually quite full. The only general laws applying to trust companies now are those designed to regulate and control same. They are required to make semi-annual reports as of June 30 and December 31, to the Treasurer of the State. The statutes specify the matters to be covered in the reports, but the Treasurer of State may call for additional information, and for additional reports. They are subject to an annual examination by the Treasurer or his appointee, the items to be covered in the examination being specified by the statute. If a company be found unsafe, the Treasurer shall report to the Attorney-General, who shall institute proceedings. Trust companies are required to deposit with the State Treasurer, to be held by him in trust as security for creditors, securities equal in value to fifteen per cent. of the paid-up capital, and not less than $30,000 in amount. Neither the deposits nor the loans of the company shall be allowed to exceed ten times the paid-up capital and surplus, "but any such corporation authorized to receive court deposits may at any time receive on deposit and loan out any money which may be deposited with it by order of any of the courts of this State notwithstanding such limitation." The stockholders are subject to double liability. The Treasurer of State is required to report to the General Assembly at each regular session the condition of all trust companies.

(Acts of 1892, chapter 109.)

MASSACHUSETTS.

Trust companies, which in this State were formerly incorporated only by special act of the Legislature, may, by an act passed in May, 1904, be incorporated under the general law. Fifteen or more persons may incorporate. Notice of intention to organize a trust company must be given to the Board of Commissioners of Savings Banks, and must be published. The procedure for organization is set forth at length in the statute. No shares of stock shall be issued until the par value thereof is paid in full in cash. The amount of the capital shall not be less than $500,000 nor more than $1,000,000; except that in cities or towns of a population not greater than 100,000 the capital stock may not be less than $200,000, divided into shares of $100 each. When the entire capital stock is paid for and issued, a list of stockholders with addresses and number of shares held must be filed with the Board of Commissioners of Savings Banks, who, if satisfied that the law has been complied

with, issue a certificate authorizing the corporation to begin business. No corporation not duly authorized may advertise business as a trust company. Officers of the corporation shall be sworn to the faithful performance of their duties. Each director must own at least ten shares of unpledged stock, and a majority of them must be citizens and residents of the Commonwealth and not more than a third may be directors in any other such corporation. The books of the company must at all reasonable times be open to the inspection of stockholders and beneficiaries under trusts. Trust companies must keep a reserve of fifteen per cent. of all deposits payable on demand or within ten days; not less than one-third of this must be in lawful money, and of the remainder not less than one-half may be in demand deposits in National banks in Massachusetts or the city of New York, and the balance may be in bonds of the United States or of Massachusetts computed at their par value, and being the absolute property of such corporation.

Powers specified, to receive on deposit, storage or otherwise, money, Government securities, stocks, bonds, coin, jewelry, plate, valuable papers and documents, evidences of debt, and other property of any kind; to collect and disburse income or principal; on deposits of money so received it shall not give collateral or other security; to advance money on credits on real property in the State or on personal security; to invest in stocks, bonds or other evidences of indebtedness of corporations; but "no trust company shall advance money or credits upon notes secured by deed of trust or by mortgage upon farms or agricultural or unimproved land outside of this Commonwealth, except upon land situated in the New England States or the State of New York, nor invest in nor make loans upon securities of a company negotiating or dealing in such notes so secured or in such mortgages;" and "no trust company shall as agent, buy, sell or negotiate securities or evidences of debt on which said company may not lawfully advance money or credits, nor as such agent buy, sell or negotiate evidences of debts secured by real estate under mortgage or deed of trust;" to act as depository of court and trust funds; to act as executor, administrator, receiver, assignee, guardian or trustee "under the same circumstances, in the same manner, and subject to the same control by the court having jurisdiction of the same, as a legally qualified person;" any such appointment as guardian shall apply to the estate and not to the person of the ward. Trust funds may be invested only in authorized loans of the United States, or of any of the New England States, Illinois, Iowa, Michigan, Minnesota or Wisconsin, or the cities, towns or counties thereof, or stocks of State or National banks organized within this Commonwealth, or in the first-mortgage bonds of a railroad incorporated in any of the New England States and whose road is located wholly or in part in the same and which has earned and paid regular dividends on all its stock for two years, or in the bonds of any such railroad company unencumbered by mortgage, or in first mortgages on real estate in this Commonwealth, or in any securities in which Savings banks may invest, or upon notes with two sureties of domestic manufacturing corporations or of individuals with a sufficient pledge as collateral of any of the aforesaid securities; but real estate acquired by foreclosure, etc., shall be sold at public auction within two years.

The capital and liability of stockholders shall be held as security for the faithful performance of duties in trust capacities, and no surety shall be required upon bonds filed by such corporation, except that the court may at

its discretion, upon application of interested parties, require additional security where the company is by it appointed as executor, administrator, receiver, assignee, or guardian. The company must be governed in the matter of investment of trust funds by the directions, if any, of persons creating trusts. A trust department must be maintained for the purpose of keeping separate the trust funds and property and the accounts thereof. Trust companies chartered subsequent to May 21, 1896, must annually set apart ten per cent. of net earnings to a guaranty fund until same equals twenty-five per cent. of the capital, which fund shall be invested in the same manner as deposits in Savings banks may be invested. With companies chartered prior to that date, the creation of such guaranty fund seems to be optional, but the fund once established must be maintained so long as trust undertakings remain unfinished. The guaranty fund shall be absolutely pledged for the faithful performance of trust duties, and trust creditors have in addition thereto an equal claim with other creditors upon the capital and other property of the corporation. Stockholders are subject to double liability. No such corporation shall loan upon its own stock, or purchase same, except to prevent loss upon a debt previously contracted in good faith, in which case the stock shall within six months be sold at public or private sale. The total loans to one person or firm shall not exceed one-fifth of the paid capital and surplus, where the capital of the company is $500,000 or over, nor one-fifth of the capital of companies with a smaller capital; but the discount of bills of exchange drawn in good faith against actually existing values, and the discount of commercial or business paper actually owned by the person negotiating it, shall not be considered as money borrowed. Such corporation may hold real estate unencumbered by mortgage, for its use, to an amount not exceeding twenty-five per cent. of its paid capital, and in no case exceeding $250,000; but investments legally made prior to April 18, 1894, need not on this account be changed. Reports must be made to the Board of Commissioners of Savings Banks annually during the last ten days of October, and at such other times as the commissioners may require, not exceeding four times within any calendar year, giving full information detailed in the statute. Such companies are subject to examination by the commissioners the same as Savings banks; *i. e.*, annually and whenever the commissioners deem it wise.

(Revised Laws, chapter 116, including amendments to 1902 inclusive. Act approved May 25, 1904.)

CLAY HERRICK.

(To be continued.)

FEDERAL CONTROL OF TRUST COMPANIES.—Secretary Shaw, in his Annual Report on the Finances, calls attention to the remarkable growth of trust companies, and suggests the wisdom of placing these corporations under partial Federal control. The companies themselves appear to be doing well enough as they are, a fact which the Secretary's figures prove. That any considerable losses have been suffered by the public because of trust company failures, such as would render Federal control desirable, is not apparent. It is suspected that the Secretary possesses a sly sense of humor, something that seems to be lacking in some other Governmental departments.

THE EVOLUTION OF NEGOTIABLE SECURITIES.

Among the most important instruments of modern commerce, coming next to banking credits in their usefulness as a medium of exchange, are negotiable securities. The term "negotiable securities" is applicable in a general sense to many forms of commercial paper, including drafts and bills of exchange, but is usually employed for the share capital of corporations and for the bonds of such corporations and of local and State governments. It is in this sense that the term is here used. The most important of such securities are quoted upon the stock exchanges and are the subject of stock exchange transactions. For this reason they are important factors in the movements of money and capital. There are several types of securities on the market, which may be broadly classified thus:

Bonds issued by national, State and municipal governments.

Bonds and stocks of transportation companies, financial, industrial, and other corporations.

Distinctions Between Stocks and Bonds.

Two distinctions run through this classification. First is that between the bond and the share; second, that of the legal and economic position of the issuer.

A bond is a written promise by a government or corporation to pay a certain sum of money and to pay interest upon said sum at fixed intervals until maturity. It is the promissory note of the State or corporation, usually secured in case of the corporation by a mortgage to all the bondholders upon definite property, and in the case of the State sometimes by the pledge of revenues from a particular source.

A share of stock, on the other hand, is a certificate of partial ownership with other shareholders in a property. The owner of a share of stock usually has a voice in the management of the property, while the bondholder stands only in the position of a lender without any share in the control; but, on the other hand, the bondholder's claim has a preference over that of the stockholder, just as in the case of a mortgage upon a dwelling, in which the owner of a mortgage has the first claim to the proceeds of the sale of the property, but is not the owner and manager of the equity in the property.

From this distinction in the legal status of the bond and stock arises a distinction in their claim upon the earnings of a company. The bond usually bears a fixed rate of interest, which the company cannot refuse to pay without subjecting itself to foreclosure and bankruptcy. The share, on the other hand, is only a claim upon the surplus earnings of a company after legal obligations have been met. Dividends upon shares of stock may be paid or not at the pleasure of the controlling powers in the company. They usually bear some relation to surplus earnings, but not all the surplus earnings are usually thus employed, and sometimes dividends are thus paid from the accumulated surplus of previous years. From these conditions it results that a bond, other things being equal, will command a higher price than a share of stock, because the assurance is greater of the permanency of the income

from it; but, as there is no maximum limit to the rate of dividend which may be declared from sufficient earnings, while the income from a bond is fixed, certain stocks representing large earnings rise much higher in price than bonds issued by the same company.

The Various Forms and Attributes of Negotiable Securities.

The only form of securities issued by governments are bonds, except short-term obligations, as certificates and notes, which bear the same essential character. Railway and industrial companies issue both bonds and stock, while banks, unless they carry on some special class of business which permits them to accumulate capital by the sale of debenture bonds, issue stock only.

The negotiable securities most useful as an auxiliary to money and banking credits, are the bonds of cities and States and the stocks and bonds of manufacturing and transportation companies, which are regularly dealt in on the exchanges. The shares of important banks are dealt in to some extent upon the exchanges, but the public policy of most States has hedged such shares with restrictions which are not thrown around other classes of securities. The shares of the Bank of France, for instance, are not permitted to be transferred to bearer[1], but the name of the holder must be registered at the office of the bank. In England the law prohibits trading in bank shares on credit. The shares must be in the possession of the seller and he cannot sell for future delivery, however clearly he may anticipate a fall[2]. The National banks of the United States are forbidden to deal in their own stock[3], and their shares are seldom the subject of speculation upon the exchanges.

Negotiable securities which are quoted upon the exchanges rank next to banking credits as a medium of exchange because they are more readily convertible into money or credits than any specific commodity. Their value in this respect was recognized at least a century ago in the London market. It was declared in 1807 by Thornton, that stocks, "by being at all times a salable and ready money article, are, to a certain degree, held by persons in London on the same principle as bills, and serve therefore, in some measure, like bills, if we consider these as a discountable article, to spare the use of bank-notes[4]." Such securities partake of the exchangeable character of money because they are not themselves specific commodities of limited consumption, but are titles to the earnings of corporations or pledges for periodical payments of sums of money in the form of dividends or interest. They come nearer than any other article to performing the function of money, in commanding all commodities, because they are desired for their power to earn money rather than for their power to satisfy any special want[5].

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[1] Guyot and Raffalovich, "Dictionnaire du Commerce," article "Actions," I, p. 56.

[2] While this is the provision of the law (Leeman's Act), a witness before a Parliamentary committee declared that it was never regarded, and that if any member of the Stock Exchange were to plead the act in bar of any bargain he would be put out. "The Rationale of Market Fluctuations," p. 30.

[3] Revised Statutes, sec. 5,201.

[4] "The Nature and Effects of the Paper Credit of Great Britain," p. 34.

[5] Pratt declares that a stock market is an income market—"a place where incomes are bought and sold." In Paris, he says, "an investor will say to his broker, 'Buy me enough rentes to pay me an income of, say, 50,000 francs a year;' he goes into the market to buy not rentes, but income."—"The Work of Wall Street," p. 30.

The employment of credit and the extension of commercial operations have created two great classes of markets for transactions which do not involve the selection of particular commodities. A general term, the bourse, is applied on the European Continent to both these classes of markets—those where negotiable securities and those where certain classes of merchandise, like cotton and wheat, are the object of operations. Both of these markets approximate in some degree to the money market or the market for available capital, but the market for negotiable securities approximates more nearly to the money market than do the produce exchanges. The reason for assimilating the produce exchanges to the stock exchanges and the money market is the fact that the articles dealt in are of general transferability by classes. The purchaser of a bale of cotton or a bushel of wheat on the international exchanges does not make personal inspection of a particular lot, but only requires the knowledge that the lot conforms to recognized standards. These standards are fixed by samples and a bale of cotton or a bushel of wheat of a given grade are the same in all the international markets[6]. They are used as substitutes for money through the exchanges in a manner which would not be possible with articles not thus graded.

A bourse, whether for merchandise or securities, is primarily a central market, where values are regulated by the unfettered competition of those who represent supply and those who represent demand. The differences between individual judgments and the private and public knowledge of particular facts are reduced to a minimum under modern conditions. The telephone and the telegraph connect all markets and make known all important changes in demand and supply until "their relations assume an international character and the conceptions of value formed, while they remain variable, yet as they are fixed by all the bourses interested—often by those of all the world—furnish data of the greatest value[7]." Corners in commodities and securities, which were once possible in isolated markets, become increasingly difficult under modern conditions[8]. Such achievements as that attributed to Nathan Rothschild—hurrying on horseback from the field of Waterloo, crossing the English channel in a fishing boat in a storm, and buying stocks secretly while reports of disaster to the English arms kept the national securities at low prices[9]—are not easily repeated today.

The Effects of Speculation.

Speculation in its proper sense is the result of intelligent study of the relations of production and supply to possible future demands. Commercial speculation of this character is very different from a game of chance, but

[6] "The merchandise of the Bourse, aside from securities, consists preferably of things which are easily transportable, meeting general necessities, and of which one considers only the quantity or simply a gradation of value."—Behrend, "Lehrbuch," quoted by Sayous, "Les Bourses Allemandes," p. 63.

[7] Sayous, "Les Bourses Allemandes," p. 58.

[8] Wells declares that in the case of grain the railway and steamship "have decided that there shall be but one market—the world, the speculator for a rise in wheat in any one country "finding himself practically in competition with all wheat-producing countries the moment he undertakes to advance prices."—"Recent Economic Changes," p. 47.

[9] Varigny, "Les Grandes Fortunes aux Etats-Unis et en Angleterre, pp. 89-91. This report is declared to be legendary. Rothschild appears to have received early news of Wellington's victory from his Ostende agent.—Duguid, p. 140.

the difference lies with the speculator rather than in the form of the operation[10]. It is the function of the intelligent speculator to anticipate future needs by buying goods for future delivery at prevailing prices, which he believes are below those which will prevail in the future, and by selling goods at prevailing prices when he believes they are higher than those which will prevail in the future. His appearance as a buyer and seller for the future thus tends to mitigate the intensity of present price movements, which are based upon visible and present supplies and upon the limited knowledge of retailers. If the judgment of the speculator is sound, he obtains a supply of commodities for delivery in the future which will afford him a profit in time of scarcity, or, in the reverse case, he brings into competition with present prices which are unduly high his offer of the production of the future. The word speculation means reflection and deduction—the process of abstract reasoning. "It is not by virtue of a coincidence," says M. Levy, "that the same word is employed to designate the labor of philosophers and the enterprise of those who, as the result of extended reflection and carefully considered calculations, believe that they can foresee the fluctuations in price of objects necessary to humanity and direct their acts accordingly[11]." Their services are useful not only to the community as a whole, in anticipating future needs and turning capital into the most productive channels, but they benefit greatly the producer and manufacturer. The opportunity of selling products and securities in anticipation of future delivery operates as a form of insurance and diminishes the speculative element in transactions, instead of increasing it. The manufacturer, by making contracts for the delivery of his goods at fixed prices, is able to calculate with some degree of certainty upon the relation of the amount realized to the cost of his raw materials, and to manufacture goods upon a scale which would not be possible if he trusted to the accidents of the market at the moment when his products might be finished. The broker who has a new security which he desires to place from time to time in the future, making possible, for instance, the opening of a new country to railway traffic, protects himself against loss resulting from future changes in market conditions by selling other securities for future delivery at current prices. These securities will realize a profit when the date arrives for delivery if the market has in the meantime become unfavorable, and will offset the loss upon his new securities. They will have to be bought at loss if the movement of prices has been upward, but the upward movement will afford a profit upon the new securities which he is seeking to place upon the market. Thus, to quote again from M. Levy, "there is a genuine insurance, which the broker will have himself organized and on which he will willingly pay the premium for protection against any accident[12]."

The value of securities is governed by different laws in some respects from the value of commodities, because securities, like money, are not consumable. Any one type of security, moreover, is limited in quantity and not

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[10] M. Raffalovich declares that "One cannot distinguish by exterior signs transactions which are legitimate and simple gambling," and that the evil arises "when the manufacturer speculates in securities which he knows little about, or the banker in merchandise, or the outsider as a dilettante, under the idea that the bourse is a gaming house."—"Le Marché Financier en 1893-94," p. 101.

[11] "Mélanges Financiers," p. 4.

[12] Ibid, p. 16.

subject to increase by increased demand; but in respect to the levelling power of central markets, by the convergence at a common point of the influences which govern prices, commodities and securities are subject to similar laws. In the case of a limited supply, which is not capable of increase by increased demand, as is the case with any particular security, the price will be related to the demand rather than the cost of production. This influence accounts for the exceptionally high price of certain first-class securities like British consols, whose price is disproportionately high to their earning capacity because they are in demand for trust funds[13]. In the security market as a whole, however, the law of substitution will restrain the price of any single security within certain relations to the prices of other securities according to relative safety and earning power. Apart from special causes, the whole mass of securities is in a sense homogeneous. The differences between one type and another will be governed by the law of marginal utility, which will fix the price of any one security upon the margin where it ceases to be more desirable than some competitive security of a slightly different degree of safety or earning power[14].

The division of undertakings into shares dates back to the ancient world, when associations were formed in Rome for farming the taxes. The publicans, or tax farmers, according to the language of Cicero, associated various capitalists with them, who were permitted to share in the profits of their operations, but had no share in the management. The Forum was the gathering place of the argentarii, the official money changers and brokers, and there, says M. Léon, "and in the space between the two temples of Janus, financial operations were carried on which led to furious speculation, creating and in turn destroying fortunes[15]." The shares in the associations of the publicans were the subject of lively transactions and their quotations fluctuated daily with political events and the reported fruitfulness of their enterprises. But the Romans were not familiar with stock companies nor public loans and when Augustus reorganized the tax system this form of speculation came to an end[16].

Modern Dealings in Transferable Securities.

Modern dealings in transferable securities date from the issue of public loans by the Italian cities in the Middle Ages. Venice, Genoa and Florence were among the governments which thus appealed to their citizens. The Bank of Venice, at its creation in the twelfth century, was only a transfer office for the national debt, and in the fourteenth century sales of the debt for future delivery, settled by the payment of a difference, were a common practice on the Rialto. The credits against the government, there and at Genoa, were inscribed in a book of the public debt and were divided for convenience into equal parts, which were transferable and could be transmitted to heirs under various privileges, such as exemption from taxation.

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[13] "The voice of the courts of law makes them in effect articles of luxury and monopoly to a certain extent."—Giffen, "Stock Exchange Securities," p. 92. Mr. Giffen pointed out in 1899 that "when large new issues take place, and when practically a new market would have to be found, the price would be considerably lower than it is now."—"Economic Inquiries and Studies," II, p. 190. This prediction was abundantly verified by events.

[14] Vide Von Wieser, "Natural Value," Preface by Wm. Smart, p. XII.

[15] La Coulisse et ses Opérations, p. 8.

[16] Vide Jannet, Le Capital au XIXe Siecle, p. 337.

It is declared by M. Arthuys that the creditors of the State had need of a strong organization, as the guarantees granted them for the payment of interest and reimbursement of the capital bore upon the revenues farmed out by the State, like the salt tax. This community of interest resulted in the formation of a society for farming the taxes[17]. The most ancient French loan of which there is record was issued in 1287 by *Philippe le Bel*, but as early as 1316 an ordinance of Philip V recognized the existence of a perpetual debt by a provision that the sums arising from confiscations should be applied to its extinction[18]. The systematic organization of the debt dates from the reign of Francis I, when a decree of September 27, 1522, authorized the issue of bonds secured upon the revenues of the City of Paris. As these obligations were paid with little regularity, they became a subject of violent speculation, in which the favorites of the king bought them at a low price and then obtained from him the privileges of full payment[19]. The public credit was so bad and free capital was so scarce, that notaries were forbidden to authorize the issue of securities for private enterprises until the public obligations were entirely subscribed.

The obligations of private corporations for commercial and industrial purposes gradually grew up alongside those of the State. In France chambers of commerce, authorized as early as the close of the sixteenth century, paved the way for the *bourses de commerce*, which were described as public places where merchants, bankers, brokers, interpreters and others engaged in commerce met to deal in everything pertaining to bills of exchange, large enterprises, insurance, loans and similar matters[20]. The British East India Company was established in 1599; but the company of Merchant Adventurers and the Eastland Company were already succeeding to the business of the Hanseatic League, and the Levant Company had been incorporated in 1581 for carrying on the trade with Turkey, which had formerly been monopolized by the Venetians[21]. The shares of the Dutch East India Company, chartered in 1602, were transferable to bearer, if desired in that form, and were the subject of lively transactions on margins on the Bourse of Amsterdam. Regulations against speculation were made by the States General as early as February 27, 1610, and were renewed without avail in 1621 and 1677[22]. The French East and West India Companies were established in the latter part of the seventeenth century, but the shares were almost entirely subscribed by the king and his associates, so that they did not appear largely upon the stock exchanges.

Among the most valuable of the new securities which grew out of the development of modern commerce were the shares in the banks which were organized late in the seventeenth century and the beginning of the eighteenth century. The shares in the Bank of England were a highly prized investment, from the beginning, but dropped from 107 to 83 within two weeks in 1696, when the Land Bank was authorized to throw its stock upon the market[23]. The joint stock principle was only beginning to make its way, and as late as

[17] "De la Constitution des Sociétes par Actions." p. 7.
[18] Vuhrer, "Histoire de la Dette Publique en France," I, p. 4.
[19] Léon, p. 12.
[20] Martin, "La Grande Industrie en France sous le Regne de Louis XV," p. 82.
[21] Cunningham, "Growth of English Industry and Commerce'" II, p. 24.
[22] Jannet, "Le Capital aux XIXme Siècle," p. 432.
[23] Rogers, "First Nine Years of the Bank of England," p. 50.

1764 had hardly been applied at all to manufacturing enterprises. It is declared by a careful writer that "The funded debt, the Bank of England, the East India Company were the only examples of really large and safe investments at the opening of the eighteenth century[24]."

Introduction of Negotiable Securities into France.

It was the speculative mania which developed between 1716 and 1720, when John Law was floating his gigantic schemes for readjusting the National debt, which introduced into France securities payable to bearer. The Rue Quincampoix, then in the centre of commercial Paris, had long been the favorite quarter of the Italian bankers, who speculated in the public debt after the Peace of Ryswick in 1697[25]. This street became packed with furious crowds of speculators, while the Mississippi frenzy was at its height and was finally closed by the police in order to check the violence of speculation. The decree of October 25, 1720, which closed the Rue Quincampoix, gave an official character to the organization of French stock brokers (*agents de change*), which has been perpetuated with some interruptions to the present day. Their business attained such dignity that the bourse was legalized in 1724 and assigned quarters in the *Hotel de Nevers*, between the *Rue Vivienne* and *Rue Richelieu.*

When industry was made free in France by the decree of the Constituent Assembly of March 2, 1791, many new corporations were formed and a spirit of speculation in securities ran riot, which was brought to a sudden check by the abolition of all stock companies by the decree of August 24, 1793. The Bourse had already been closed by a decree of June 27, 1793, and remained closed until April 25, 1795[26]. The French stock market has since remained under official supervision, although alongside of the sixty official *agents de change*, occupying the *parquet*, has arisen the unofficial board known as the *coulisse*. Several legal conflicts have occurred between the privileged brokers and the *coulisse*, which led in 1898 to the reorganization of the stock exchange and the prohibition of dealings on the *coulisse*, except in certain classes of securities[27].

Organization of Securities Markets in England.

The foundation of organized markets is shrouded in obscurity in England from the fact that they were not, as in France, the objects of official solicitude. "Liberty of organization, liberty of administration, liberty of recruitment, liberty of quotations, liberty even of jurisdiction," affords the reason, in the opinion of a French writer,[28] why documentary records are lacking regarding the English stock exchanges. It is known only that the Royal Exchange was erected in 1554 by Sir Thomas Gresham and that stock transactions were carried on there until well into the eighteenth century, when they were transferred to the rotunda of the Bank of England and in 1798 to a coffee house in Threadneedle Street. The number of securities dealt in was so small and public credit was so feebly established that the prices of Consols

[24] Hobson, "The Evolution of Modern Capitalism," p. 42. Con. Smith, "Wealth of Nations," II, p. 340.

[25] Courtois, "Histoire des Banques en France," p. 35.

[26] Vuhrer, I, 413.

[27] Vide "Bourses des Valeurs Mobilières," "Vidal, Dictionnaire du Commerce," I, 625.

[28] Boudon, La Bourse Anglaise, p. 5.

fluctuated violently under the incidents of doubtful finance or war and peace. A surplus of free capital seeking investment, which, in 1737, carried these obligations to 107, did not prevent a fall to 61⅞ in 1762 and 53¾ in 1782. These wide fluctuations afforded great profits to speculators and so enriched the brokers that they were able in 1801 to lay the cornerstone of the present exchange in Capel Court.

England was for many years the chief source of new capital seeking investment. The result was at once to make the London Stock Exchange the broadest and most important and to make the English people, in spite of their natural conservatism, the most venturesome in risking their capital abroad. As early as 1824 a score of foreign loans, largely to the revolutionary governments of Latin America had absorbed no less than £52,000,000 of British capital, much of which was ultimately lost[29]. At home also much was lost through the mania for new company incorporations, of which no less than 283 were known on the Stock Exchange, with nominal capital of £150,000,000.[30] Similar experiences were endured with American and other foreign securities again after the crashes of 1837, 1857, 1873 and 1890; but nothing permanently checked the growth of the English exchange, or destroyed the appetite of the British public for foreign investments.

In spite of the practical freedom from Government control prevailing on the London Stock Exchange, a license was paid to the Lord Mayor of London up to 1886, and several Parliamentary commissions undertook to dictate rules to the exchange. In 1875 a select committee on foreign loans made a scathing report regarding the flotation of the securities of certain South and Central American States, and this was followed in 1878 by a recommendation from a royal commission on the Stock Exchange that the exchange should be incorporated. It was pointed out, however, by a minority of the committee that a higher standard of morality was enforced on the exchange than could be reached by the law of the land and that the freedom of the governing committee to sustain this standard would by incorporation be greatly hampered.[31] The failure of the Government to take any effective steps to carry out the recommendation of the majority confirmed the judgment pronounced by the commission itself, that they felt assured that the want of a written contract between members had in practice no evil results, and that out of the million of contracts made on the Stock Exchange such a thing was hardly known as a dispute as to the existence of a contract or as to its terms.[32] The change of the rules to meet new conditions has been made from time to time by the members themselves, one of the last changes being a limitation of membership to 5,000[33]. The very mention of so wide a limit indicates how far the English view of the control of such institutions departs from the jealous supervision exercised by such a Government as that of France, where the members of the Bourse are nominated by the Government, are mutually responsible for each other's obligations, and were increased in number by the reforms of 1898 only from sixty to seventy.[34]

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[29] Gilbart, I, p. 64. [30] Duguid, p. 125. [31] Duguid, p. 280.

[32] Ibid. p. 264.

[33] Vide London "Economist" (Nov. 5, 1904), LXII, p. 1770.

[34] That the English system of self-government is better adapted to the exigencies of modern commerce was set forth in forcible language at the International Congress of Negotiable Securities, held in Paris in June, 1900, by Messrs. Raphael Georges-Levy and E. Vidal. Vide, Courtois, "Opérations de Bourse et de Change," pp. 664, seq.

The New York Stock Exchange.

The germ of the New York Stock Exchange is found in the organization of twenty-four persons in 1792 into a company of "Brokers for the Purchase and Sale of Public Stock." A paper was signed agreeing not to charge less than one-fourth of one per cent. commission on such transaction. The favorite meeting place of the brokers was near a buttonwood tree, which stood in front of 68 Wall street. This street, so called from the old stockade or wall which protected the early Dutch city from the Indians, was in 1792 an important street. The City Hall had been erected in 1699 on the present site of the sub-Treasury, and Hamilton lived nearly opposite, not far from the corner of Broad street.[35] The actual Stock Exchange was not organized until 1817, and even then the dealings were chiefly in the National debt, which amounted in 1816 to $108,510,000—the highest sum attained prior to the Civil War. As the public debt was reduced, the demand for railway capital had a large share, as in England and France, in maintaining the business of stock brokerage in New York. The Gold Exchange, which was organized in 1864, was one of the famous episodes of the Civil War. The events of Black Friday in 1869 practically destroyed outside speculation in gold, and the gold room was closed in 1877, when the approach of specie payments wiped out the premium on the yellow metal.

Only in the brief and disastrous attempts to check speculation in gold by the act of June 17, 1864, have the American exchanges been subjected to serious official control. They are private voluntary associations, governed, as in Great Britain, by a more strict code of morals than could be enforced by the courts of law. Membership in the New York Stock Exchange is limited to 1,100, and candidates must not only pay a large sum for seats, but must meet the requirements as to character and responsibility imposed by the committee on admissions. The price of seats was as low as $2,750 in 1871; advanced to $32,500 in the "boom" year of 1882, to fall in the panic of 1893 as low as $15,250 and in 1896 to $13,000; but advanced in 1901 as high as $80,000.[36] Government interference has never gone far, even in levying taxes on the stock exchanges of the United States. The rapid growth in the volume of their transactions and their prompt responsiveness, under this policy of freedom, to actual conditions, justifies the declaration of a veteran member of the exchange:[37]

> "Wall Street has been very aptly described as the 'business pulse of the nation,' and that is what it is, in the truest sense of the term. As the mercury in the thermometer denotes the degrees of heat and cold, so do the fluctuations in the Wall Street markets show the rise and fall of the business activity in mercantile or manufacturing circles, and it is immediately reflected in the Stock Exchange and the other exchanges where values are dependent upon business activity and financial confidence."

Charles A. Conant.

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[35] Pratt, p. 5.

[36] Pratt, p. 96.

[37] Henry Clews, "The Wall Street Point of View," p. 2.

LOST OR STOLEN MONEY.

People are often deceived by counterfeit money, and most of those who esteem themselves wise are usually on the lookout for it. It results that sometimes good money is rejected when it is offered under peculiar circumstances or when there is something about it strange to the receiver. Sometimes coins are cracked in the die and lose that ring which is characteristic of genuineness. Recently some one in Washington, repeating the experiment of the man who sold guineas on London Bridge for a shilling, offered silver dollars for a quarter. One person purchased, and he, as it afterwards turned out, had heard of the London Bridge trial. Another took the dollar and gave a quarter for it simply as what might be called a four-to-one case of odds. The greater number approached rejected the offer and gave the experimenter good advice about letting the dangerous business of selling counterfeits alone. It was a wonder the man was not arrested.

All this shows that our knowledge of the goodness or badness of money is purely conventional. We judge more by the circumstances under which it comes to us than by the quality of the bills or coin. Of course experts who handle large amounts of money give more careful attention to intrinsic evidences of genuineness.

When the office of the United States Treasury was robbed of fifty thousand dollars in bank bills by a clerk who had charge of the packages going out by express to the National banks, it was, after a number of weeks, discovered that the clerk had as accomplice a saloonkeeper by the name of Ottman. The bills taken were all of the denomination of five hundred dollars, and were issued by the National Park Bank, of New York city. These bills had been redeemed by the Treasury on account of the bank, and being bills which, although they had been in circulation long enough to have their new appearance worn off, were not dirty or mutilated, they had been preserved and wrapped up to be sent back to the bank for reissue. The thief selected this package, for the reasons, apparently, that it contained a large sum, within small compass, and consisted of notes that having been once in circulation would pass more readily than if they had been new, like most of the money sent out of the Treasury. The denomination was against him, but on the other hand by selecting places where large bills were not uncommon, this might be got over. The detectives, however, were aware of this also. They had observations made at race-tracks, gambling houses, hotels, etc. At length they discovered a shady character not unknown in Washington betting five hundred dollar bills at the Saratoga race-track. Arrested and properly manipulated, this man pointed to Ottman as the source from which he received the bills. Ottman proved rather a hard nut, but at length some of the money, amounting to some eighteen thousand dollars, was discovered in a place where Ottman had left it for safe-keeping. The clerk was also ferreted out, arrested, convicted and sentenced. Ottman, however, although the proof against him was apparently overwhelming, never was convicted. He

went through at least two trials, the jury disagreeing on each occasion. He was defended by Senator Matt. Carpenter, then in the height of his fame as a criminal lawyer. If that money, discovered in the place where Ottman put it, was the same money which had been in the package taken from the Treasury, he was indisputably guilty as an accomplice. The bills so discovered in Ottman's place of deposit were five hundred dollar bills on the National Park Bank, of New York city, and there were no bills on any other bank. The chances were immensely against so many bills of the same denomination, of one particular National bank, coming together in due course of trade in any place but the redemption bureau of the Treasury. In other respects the bills in question answered the description of those taken from the Treasury. They were in good enough condition, but not new. But the actual numbers of the bills in the stolen package had not been definitely ascertained and recorded by the Treasury officials.

Mr. Carpenter's argument with the jury amounted to this: that money once in circulation had no identity; there were so many coins exactly alike, so many bills exactly alike, that it could not be positively asserted that any particular bill or bills found in possession of a suspect, might or might not be the bills which were stolen. The lawyer dwelt on the danger of assuming that things were identical because they were like, how innocent men might suffer, etc. He told a number of stories to the jury, all going to show how uncertain in criminal cases was the assumption of identity of money and things of a similar nature. The story which seemed to impress the jury most was as follows: A gentleman goes to a museum and asks to see a gold coin thought to be the only one of the kind in existence. He is permitted to take it in his hand and examine it closely. After a time he started to leave the museum. The attendant stopped him and asserted that the gentleman had not returned the coin he had been inspecting. The gentleman asserted he had returned it. The case was carefully looked over; the coin was missing. The attendant called assistance and was proceeding to search the gentleman who he supposed had not returned the gold coin. Suspicion grew stronger as the gentleman resisted the searchers with great energy. At length he said with much earnestness: "Before you proceed further take one more look at the case, for I am sure I returned the coin." The attendant consented, and strange to relate found the coin where it had slipped out of sight, edgewise between two of the coin-trays in the show-case. Naturally, every one was much relieved. The gentleman, now said: "I will show you why I objected to being searched. I have in my pocket a coin the exact counterpart of the one possessed by the museum."

This line of argument so impressed succeeding juries that disagreement resulted in each case. Finally, prosecution of the indictment against Ottman was discontinued.

During the period of several years while these proceedings lasted, the money in question, $18,000 in five hundred dollar bills on the National Park Bank, of New York city, was held by the property clerk of the District of Columbia. After the Government gave up the hope of convicting Ottman, the case against him was dropped. Ottman demanded the money. Mr. Folger at this time was Secretary of the Treasury. A Buffalo lawyer at that time a member of the House, represented Ottman. Through some compromise with the Department of Justice, the money was finally handed over to Ottman's representative. How much Ottman himself got, the lawyer and he only know.

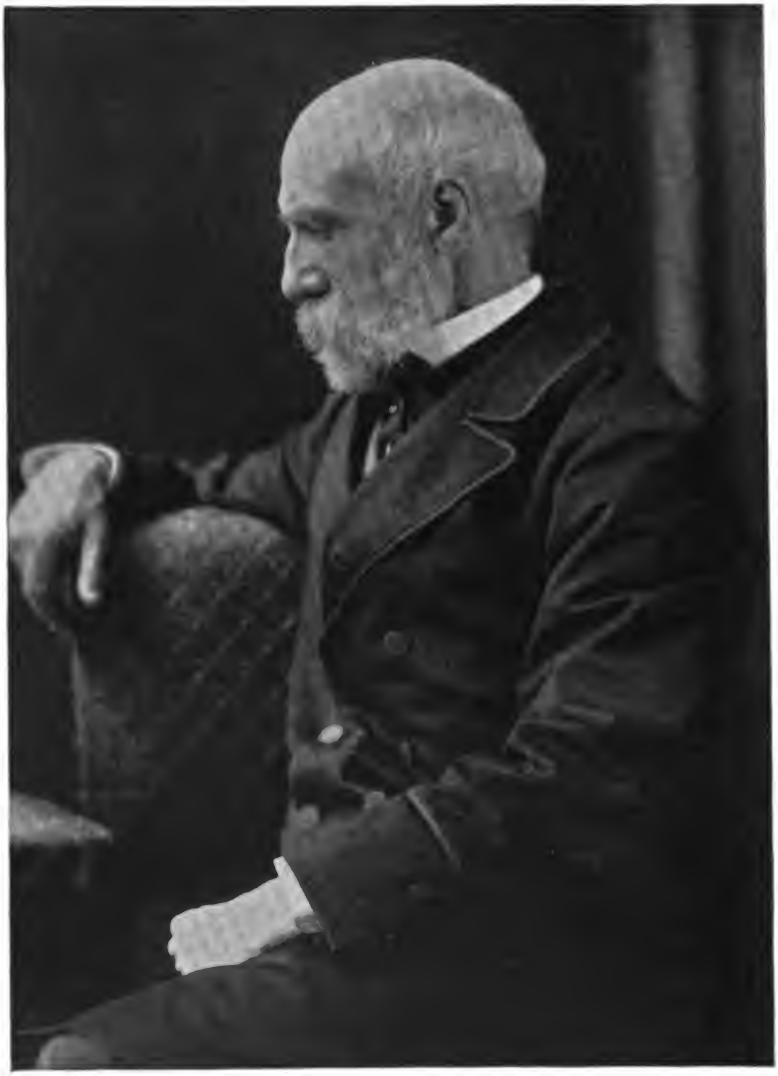
Here was a case where money certainly lost its legal identity whatever the moral certainty as to where it came from and where it really belonged.

At the time of the robbery of W. O. Brown & Co.'s bank in Buffalo, in 1858, a curious occurrence may be worthy of mention. The money at this time consisted of State bank notes. Among the other funds taken from the bank was a package of ones, twos and fives, amounting to ten thousand dollars. The bills inside the package were divided into small bundles of one hundred dollars each. The whole bundle was quite bulky. The robbery was committed on Saturday night or Sunday. Monday morning, the ten thousand dollar package was found by some schoolboys on their way to school, thrown under a sidewalk grating. It had burst open. The boys pulled out a number of the small packages of bills, and leaving the greater part of the money where it lay, went on to school. They believed the money counterfeit and distributed it among the other boys. Some of it came to the teacher, who pronounced the bill he saw very good counterfeit. When the noon hour arrived and the pupils went home, they spread the story. The robbery of the bank had not been discovered until about ten o'clock Monday morning. The boys who found the ten thousand dollar bundle led the police to the place, but it was no longer there. Some one had found it who did not believe it to be counterfeit. Most of the other funds were recovered from the robbers, but this ten thousand package was never seen again, except so much of it as was gathered from among the school children, perhaps five hundred dollars.

In this case the convenient denominations of the bills made it easy for the last finder to avoid detection. He appears to have avoided any appearance of an unaccountably sudden accession of wealth.

This occurred when notes were issued in nearly every State by State and private banks, when the opportunities for counterfeiting were good, and when many of the genuine notes of banks really in existence were hardly more valuable than counterfeits. Each bank directed the designing and printing of its own notes, and consequently there were as many different designs as banks. The State bank notes were generally printed in black; there was little employment of colors. Now and then red and tints of yellow were seen, but seldom if ever green like the prevailing color of the paper money since the Civil War. Every business man had a counterfeit detector, which he studied daily with care. It was not surprising that the boys thought the money they found counterfeit.

Something of the same kind occurred in Baltimore some time in the seventies. There was a business celebration held in that city called the Baltimore Oriole. Crowds were attracted. A woman who had some four thousand dollars in bills of denominations from one to twenty dollars, dropped the money, which was only loosely wrapped, among the crowd, and unconscious of her loss passed on. The bills, National bank notes and greenbacks, were stumbled over by the crowd and began to fly in all directions with the wind. The crowd took it for some new kind of advertisement. No one believed it to be genuine money. The bills were stuck up on posts and doors by some. Much was lost entirely. Some who took the bills no doubt afterwards discovered that they were genuine. The woman, however, recovered a large part of her money by picking it out of the street where the crowd had left it, as they would an ordinary lot of handbills.



GEORGE HAGUE.

A PRACTICAL TREATISE ON BANKING AND COMMERCE.

BY GEORGE HAGUE,

FORMER GENERAL MANAGER OF THE MERCHANTS' BANK OF CANADA

INTRODUCTORY.

Mr. George Hague, the author of the Treatise on Banking and Commerce, which is to appear in this and successive issues of the MAGAZINE, has long been prominent in Canadian banking circles, and is not unknown in the United States, he having addressed the annual meetings of The American Bankers' Association repeatedly; for example, in Boston, Chicago, Richmond, Va., and other places. He was twenty-five years General Manager of the Merchants' Bank of Canada, which office he held until his final retirement from banking at a ripe old age in 1902. He had previously been with the Bank of Toronto for twenty-one years, and was for fourteen years of this time Cashier. In both capacities he had the opportunity of obtaining a minute and extensive acquaintance with the mercantile and manufacturing business of Canada, and the United States, the fruit of which is abundantly evident in the succeeding pages. For this Treatise, as will be noted, embraces commerce as well as banking.

Mr. Hague has appended some chapters giving his own reminiscences and experiences as a banker. These, we are sure, will be perused with great interest.

An interesting notice of Mr. Hague's career appeared some time ago in an Ottawa publication, entitled "Canadian Men and Women of the Time." This notice, in a somewhat condensed form, and with some slight additions, is presented below.

BIOGRAPHICAL NOTICE.

"Mr. Hague is an Englishman by birth and belongs to an old Yorkshire family. In the profession by which he is generally known he had several predecessors among his relations, three of whom, on the mother's side, were Managers in the local bank in Rotherham, the manufacturing town where he was born and brought up. Having received a good commercial education, he was placed in the branch office of the Sheffield Banking Company, and there commenced his business career, at the age of fifteen. This was in 1840. After eleven years of service, during which he received a thorough grounding in his profession, he entered the employ

of a railway contractor by whom he was sent out to Canada in 1854 as financial manager. The head of the firm having been lost in a shipwreck on the Atlantic, the business was brought to an end. He then obtained the post of accountant in the newly organized Bank of Toronto. Thus in 1856, in this modest way, he commenced his career as a banker in Canada. Promoted to be Manager of the Coburg branch in 1860, he was recalled to Toronto in 1863 to succeed the late Angus Cameron as Cashier of the Bank. While holding this office, Mr. Hague took an active part in all matters relating to the polity of banking, and in co-operation with other bankers, and with members of Parliament, offered an unflinching resistance to the proposal then on foot to change the basis of the circulation of the banks. These exertions were crowned with success.

Intending to devote his future years entirely to religious and philanthropic work, he retired from the Bank of Toronto at the end of the year 1876. Not long afterwards the Merchants' Bank of Canada found itself in a position of embarrassment, as a result of errors of management. Mr. Hague was earnestly requested to take charge of the bank and endeavor to extricate it from its difficulties. Abandoning his own inclinations, he did so, becoming General Manager of the bank in 1877. After a thorough examination of the situation he decided that the best course was to reduce the capital stock, which was impaired, and start afresh. This was done, and by constant attention and unremitting care on his part, along with the active co-operation of the board of directors and a zealous staff of officers, the institution was brought slowly forward, until it stands today in the foremost rank of Canada banking institutions.

Mr. Hague has long been an extensive contributor to the press on financial and banking subjects, and has done much to spread sound ideas, both on commerce and banking, amongst the community for forty years back."

A full resumé of Mr. Hague's banking career with many illustrative incidents and anecdotes will be found at the close of the Treatise on Banking and Commerce.

CHAPTER I.

ELEMENTARY PRINCIPLES OF BANKING.

Every man who expects to derive his subsistence from a community will find himself under obligation to render service thereto. This is a universal law of civilized life, in default of obedience to which, another law will come into operation, viz., that if a man will not work, neither shall he eat.*

A Banker's Service to the Community.

Service to a community is of various kinds, depending generally upon the inclination of the individual. Some men devote themselves *to production* in one or other of its manifold forms: a class of service that comes first in order of time in every community, but survives in the most advanced stage of development. Others devote themselves to *selling* what others produce. Others to the work of *transportation* by land or water. These are all departments of what is generally known as *business*. They are all forms of that labor which brings profit, and are all to be found in those rudimentary stages of the community with which the people of Canada and the United States are familiar. Long before there is any requirement for the services of a person whose business it is to take care of money, and to deal in it, there has been some progress made in the clearing or preparation of land: in making roads, in building houses, and also in the carrying on, in a rudimentary form, of farming, store-keeping, fishing, and other handicrafts. In addition to this, there generally arises the class of professional men, who make or administer law, cure diseases, or care for the spiritual interests of the people.

For the first few years, a very small supply of actual money suffices an infant community in the conduct of its business. Barter in various forms is the ordinary medium of exchange. So many yards of cotton for so many bushels of wheat; so much of nets or ammunition for so many fish or skins. This and such-like modes of making exchanges serve all the practical purposes of life, and at this stage of development, all wealth, roughly speaking, consists of land, houses, or goods.

But as time goes on, money in the shape of notes or coin finds its way to the community; and one man after another who prospers in his affairs comes to have more or less of it.

When, from such simple rudiments as a blacksmith's smithy, a store, a grist and carding mill, and a tavern, at some crossroads of the olden time, or a railway station of the present, there has grown up an aggregation of such concerns, some of them in a well-developed form; and when, all round about, the forest or prairie has been converted into productive farms, sufficient money will generally have been accumulated to give rise to the question, *Who is to take care of it?* The answer to this question opens up another class of service; that, namely, rendered by a person who has for generations been known as A BANKER. This being understood, let us enquire under what conditions any man is likely to undertake that service, and how he is to be remunerated for it?

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* It might be supposed that the class of wealthy men, and men of leisure, who gradually arise in a more advanced stage of society would be an exception under all circumstances to the above remark. But, as a matter of fact, there are but few member of this class who do not devote more or less time to gratuitous service for the community they live in. In England, they serve as unpaid Magistrates, Members of Parliament, and guardians of the poor, as well as in numerous forms of benevolent activity. On this Continent, the larger part of such men devote time to church and benevolent work, sitting on numerous boards and committees, undertaking treasurerships, and various other unpaid but useful offices. In fact, if the services of our leisure class were to be estimated on a commercial basis, it would amount to a sum that would startle the most captious objectors.

Development of Modern Banking.

Putting aside, at present, considerations as to the origin of corporations like the Bank of England and the Bank of Scotland, it will be interesting to note how the simple function of taking care of the spare money of a man's neighbors, gradually assumed, one after another, the complicated forms of modern banking.

The first "banker" (if he may be so called at this stage) is usually one of those prosperous men of business who are to be found in every community, and whose store, warehouse, or factory is known to everybody in it. All his surroundings suggest that he is a man of means. He is also a man of reputation. He has had money dealings with his neighbors, and all respect and trust him. He has money of his own, and has a strong box or chest in which to place it, as everybody knows. What more natural, then, that he shall be asked to take care of the money of his neighbors, as well as his own?

Some of the more cautious ones will, indeed, never trust their money out of their own possession. Some do not want it to be known that they have money at all. The secretive instinct prevails everywhere, and is to be found even in these days of highly developed banking. The failure of a banking corporation or of a private banker, even now, invariably drives some people back to the rudimentary stage of taking care of their own money. In this, however, they encounter another danger, viz., that their money may be *stolen*. The majority of the people, however, in our infant communities, are willing to trust their money to the care of a wealthy neighbor. In most cases, they will expect it to be as much at their command as if it was locked up in a cupboard of their own. In some cases, however, they may consent to give notice of withdrawal.

Thus, at the very outset, we are confronted with two of the principles that have always governed banking operations, and which have as much force to-day as they ever had. The greatest banking corporations in the world are not exempt from enquiring as to money deposited with them, is it to be WITHDRAWN AT CALL, or IS IT TO BE SUBJECT TO NOTICE?

The first arrangement is at the root of nearly all the multifarious forms in which banking is carried on, for, as will be subsequently shown, it involves the obligation (1) of constant attendance; (2) of keeping a sufficient stock of money on hand; and (3) having a counter, apparatus, and officers for the transaction of business. Most important of all, whilst it necessitates the keeping a certain stock of money on hand, it governs *the manner in which all the rest may be employed.*

The person who undertakes the safe-keeping of money and its return when called for will soon ascertain that the commodity he has undertaken to safeguard is different in kind from all other commodities. It is representative of property rather than property itself; and the obligations he enters into with regard to it are different not only in degree, but in kind, from those which persons enter into with regard to other property. If, for example, a farmer undertakes to take care of a neighbor's horse, he must return that very animal when called upon. If a wharfinger undertakes the care of a merchant's iron, flour, or cotton, he delivers back the very goods he receives.

But the care of money is governed by different considerations. No man

who delivers money to a banker for safe-keeping wants back the very notes or coins that he deposited. What he wants is, not the identical pieces of gold or paper, but the value of them in current money, or in some other form that may suit his convenience; for example, in a draft or bill of exchange.†

The relation therefore between the depositing customer and his banker is not that of OWNER and BAILEE, but of CREDITOR and DEBTOR. This being so, the banker is not bound to take care of his creditor's money as a wharfinger takes care of his customer's goods. But he is bound—and this is the first simple contract of banking—to repay the amount deposited, or such part of it as may be required, at the time agreed upon, whether on demand or after notice.

In the meantime, a banker has the power, and the law gives him the right, to deal with the money as if it were his own; that is, he has the power to use the money at his pleasure for the purpose of making a profit out of it. The obligation, however, to pay a depositor's money on demand, at the very moment it is asked, is of the most stringent nature. Universal custom insists on a rigid enforcement of it. A merchant may ask for time from his creditors; a banker never. If he is reduced to this position he must close his doors‡.

Common prudence therefore dictates to one who is undertaking the responsibilities of a banker for the first time, that he shall, at the outset, keep a considerable part of the money lodged with him in his own possession.

As time elapses, and the conditions of the supply and demand for money gradually assume a more settled form, such a banker will come to understand what portion of his funds he must keep on hand, and what portion he can otherwise employ.

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† It was indeed once stated to me by a person acquainted with the facts, that on the occasion of the first meeting of the directors of a newly organized bank in an American city, the President, addressing his colleagues, observed that persons would no doubt shortly make their appearance to deposit money, and as it was essential that each customer's money should be on hand when wanted, it was desirable to provide a large wallet divided into compartments, in which each person's separate deposit could be placed, duly labelled. In that case, he observed, the bank would never be called on for money without being able to respond at once.

The good man's care for the safety of the customer's money was commendable, but he did not tell his colleagues how the bank was to make profits under such an arrangement.

‡ There have been, however, some curious exceptions to this. There was formerly a little bank in Prince Edward's Island, which made no scruple of telling depositors at times that they had run out of money, but would have some next week—just as a storekeeper would tell a customer that he was out of a particular pattern of print. There was, however, some excuse for this in the fact that the Island is sometimes cut off in winter from the outside world for a fortnight together. This bank has long disappeared. But it is rather odd that so recently as at the Louisville bankers' convention, a Cashier of a National bank in Georgia, with a capital of $25,000, should be boasting of the arrangements under which business was done in his part of the State. Our customers, he said, are never discomposed when we run out of money. They are always good natured with us, and willing to wait while we get some!

THE EMPLOYMENT OF A BANK'S FUNDS.

But the question at once arises, in what form it may be otherwise employed, consistently with the peculiar requirements of his business? Money may be employed in various ways to make profit, and the mode of employment will be largely influenced by the consideration whether it is a man's own, or whether he is taking care of it for another. Some modes for the employment of money have been demonstrated by experience to be suitable for a banker; others have been equally proved by experience to be highly unsuitable.

(1) For example, a man who has money at his command, may buy productive property with it, and so obtain a reasonable return in rent. A banker, however, would soon discover this to be a very dangerous business. He might be compelled to close his doors and wind up his business although in possession of immense amounts of valuable property.

(2) He can lend money on mortgage of property, and draw the interest. This is just as unsuitable for a banker as the other; for wherever mortgages exist, they run almost invariably for long periods of time. Even if subject to gradual repayment, the periods are of slow recurrence.

(3) When a community is sufficiently developed to give rise to them, money can be invested in stocks or bonds. It is open to a banker to do this, to a reasonable extent, as will be hereafter discussed under the head of investments, provided the stocks involve no liability and that both stocks and bonds are such as can be readily realized.

(4) He can engage in commercial or manufacturing business. This is wholly improper for a banker under modern conditions, and the banking law of Canada very wisely prohibits it.

The above are all legitimate channels of investment for a *capitalist*, as such.

But a banker's business is governed by other considerations. It is of the very essence of a banker's business to incur *liabilities*. The larger a banker's liabilities are—paradoxical as it may sound—the more he has of the elements of a flourishing business. For while a wealthy mercantile house will pride itself on having no liabilities at all, the pride of a banker is in the extent to which his liabilities exceed his capital; or in plain terms, in the amount of his deposits and note issues. His creditors may be numbered by thousands, and the total amount he owes them may, in the aggregate, be ten times the amount of his capital or more. He, therefore, as a simple matter of prudence, will at all times so shape his business as to be able to fulfil his daily obligations§.

But how does he accomplish this? In every community, where business has become developed, there will invariably be found, in addition to those who have more money than they need, another class of persons, who have less than they want. Merchants, manufacturers, miners and transmitters of commodities, no matter in how simple a form their business is carried on, need, as a rule, more money than they have of their own. And if there

§ In the statements that joint stock Banks in England are bound to place before the public, the term for "deposits" is, "Debts due on simple contract." This legal term puzzles those who have been accustomed to the term deposits. But the phrase is strictly accurate.

is, in that community, a person who has his spare money under his control, he will certainly be interviewed by one or more of this class with proposals for the use of a portion of that money. Thus we arrive at the first *rapprochement* between Banking and Commerce.

That bankers should listen to overtures from this class of the community is natural; and this for several reasons. Their business, in the very nature of things, is in a constant condition of flux. It is active at one period, and dull at another; largely arising from the changing seasons of the year, and therefore inevitable, and such as can be calculated on. The world's commerce is conditioned by the laws which govern its products. These products come largely (but not wholly) in the shape of yearly harvests; some of food, some of materials for clothing, some of appliances for shelter, some of materials for producing warmth or power. Stocks of great magnitude must be held at one period, to be succeeded by a largely diminished volume as the consumption of the world progresses. These world-harvests, therefore, require at one time large amounts of money for the purpose of purchasing, storing and preparing them for use; conversely, an immense volume of money is set free when purchasing is succeeded by realization. All goods, whether material products or manufactured articles, are ultimately converted into money; or book entries representing money. As stocks of goods increase, the stocks of money (using that word in a broad sense) diminish, and as stocks of goods decrease, those of money increase.||

This being the case, it can easily be seen that the banker and the merchant have a natural relation to each other. The one deals with fluctuating supply of money, the other with a fluctuating quantity of goods. The banker must perforce employ his money in fluctuating transactions. The merchant desires fluctuating supplies of money to meet his requirements. There is therefore perfect correspondence between them. The business of both is, to consider how these fluctuations are likely to operate in the spheres of their business.

The merchant, naturally, moves first. The natural order is for the borrower to approach the lender. (Cases, indeed sometimes arise, in the stress of competition, in which the order is reversed, but the results are usually injurious to both.) The merchant approaches the banker, stating that the time has come for him to buy the productions of the district; the lumberer, that he is about to send his gangs into the woods; the fisherman, that his fleet is ready to begin operations; the manufacturer, that the year's supply of wool, grain, iron or raw cotton is arriving. There are as numerous varieties of such applications as there are of commercial avocations; but in every one of them there is a statement of a *want;* i. e., want of *money*. That want is exactly the counterpart of a want on the part of the banker. He has money for which he wants profitable employment. Thus both are brought within the operation of that all-embracing law of SUPPLY and DEMAND, which governs the world's transactions in commerce and finance as

|| This is the natural law, but it is affected by numbers of counteracting circumstances, the cross-currents of trade and of finance, so to speak. The operation therefore of this natural law is not always easy to trace. But it is a law notwithstanding. And, as a part of this law, all stocks of goods bear interest—a fact often lost sight of.

surely as the laws of gravitation govern the material universe. The want being opened up, and the application made, it is for the banker to determine, having understood for what length of *time* advances are wanted, what *security* is offered, and what is the *position of the person* proposing to borrow, whether he can (1) make the advance, (2) open the credit, or (3) discount the paper. These are the three fundamental forms of the dealing of a banker with the business community.

All developments of business may at times afford outlets for the money a banker desires to employ. They are legitimate spheres for utilizing his funds, always on the supposition, never to be forgotten, that such loans shall be temporary, repayable at a fixed time which can be depended upon, that they shall be allowable by law, and within the legal borrowing powers of the corporation, if the borrower is such. And it is not too much to say that it depends upon the banker's answers whether the wheels of the machinery of commerce in his district are to begin to revolve for another season or not. Naturally, his desire is that they shall; for upon this a thousand other things depend, in which no one is more interested than the banker himself.

There is this, however, further to be said, that a great banking corporation may at times, and in certain circumstances, employ a portion of its resources both safely and profitably in other spheres than commerce. They may assist the financial operations of the Government, or make advances to municipalities, or assist in developing enterprises not strictly commercial, yet which have a close relation to it, such as railways, steamboat lines, gas and electric corporations, etc. All this will be fully treated of in succeeding chapters.

COUNTERFEIT MONEY IN CIRCULATION.—There is always more or less conjecture about the amount of counterfeit money in circulation, and while the absolute determination of the question perhaps is impossible, an effort was made during the year to secure figures that would give an approximation of the amount. Over 5,000 circulars were sent out to the National banks of the country embodying a number of questions relating to counterfeits, both of currency and coin. Twenty-two hundred and sixty-nine banks reported that they had seen no counterfeit money during the calendar year January 1 to December 31, 1903. The total amount of counterfeits reported as having been handled during that period was slightly over $21,000. This consisted of $11,800 in coin and $9,400 in notes. About 1,500 banks reported a decrease as compared with preceding years, and 100 an increase. An analysis of the returns showed 1,342 banks reporting $10 or less having been seen in the twelve months, 172 reporting between $10 and $25, 106 between $25 and $50, sixty-one between $50 and $100, twenty-eight between $100 and $200, and five reported over $200.

It is considered a liberal assumption that the figures returned by the National banks represent fully one-half of the amount of spurious money in circulation. On this basis the total would approximate $23,000 for coin and $18,000 for notes. With a total circulation of $793,000,000 in coin and $1,700,000,000 in notes these figures would indicate a trifle aver $3 in counterfeits for each $100,000 of coin circulated and a little less than $1 in counterfeit for each $100,000 of paper circulated. These figures are undoubtedly over rather than under the facts.—*From the Annual Report of the Chief of the Secret Service Division, Treasury Department.*

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

RULES OF SAVINGS BANK—FORGED CHECK—PASS BOOK.

Supreme Court of Georgia, October 17, 1904.

LANGDALE *vs.* CITIZENS' BANK OF SAVANNAH.

A depositor in a Savings bank is bound by the reasonable rules of the bank, to which he assents by an agreement in writing.

A rule providing that "every effort will be made to protect depositors against fraud, but payment made to a person presenting pass-book shall be good and valid on account of the owner, unless the pass-book has been lost and notice in writing given to (the) bank before such payment is made," is reasonable, and binding upon depositors.

Under the terms of such a rule, where a pass-book is presented by a person other than the depositor to whom it belongs, together with a forged check bearing a signature similar to that of the depositor, and there is nothing to arouse the suspicion of the teller or put him upon inquiry as a reasonable prudent man as to the genuineness of the check, and the bank in good faith pays the check, believing the person presenting it to be the depositor, it is not liable in a suit by the depositor to recover the money so paid.

The principle announced in the preceding headnote is not affected by another rule of the bank prescribing that depositors must always present their pass-books when depositing or withdrawing money, and that, "if not present personally, an order properly signed and witnessed must accompany the presentation of the book in case of withdrawal."

(Syllabus by the Court.)

The Citizens' Bank of Savannah was a banking corporation conducting under authority of its charter a savings department, which was governed by certain rules and regulations, and depositors were required, upon opening their accounts, to sign an agreement to abide by those rules, which provided, among other things, as follows:

"A depositor must always present his or her pass-book when depositing or withdrawing. If not present personally, an order properly signed and witnessed must accompany the presentation of the book in case of withdrawal. Every effort will be made to protect depositors against fraud, but payment made to a person presenting pass-book shall be good and valid on account of the owner, unless the pass-book has been lost and notice in writing given to this bank before such payment is made."

The plaintiff was a depositor in the savings department, and as such had assented to the rules mentioned. The Cashier of the bank cautioned him to take good care of his pass-book, and not let it "lie around loose," pointing out to him the rules on the subject. A check for $50 was drawn

against the plaintiff's account, and was cashed. He claimed that the check was a forgery, and brought this suit to recover from the bank the amount for which it was drawn.

CHANDLER, *J.*: The motion for a new trial contains numerous grounds, but in its last analysis the case turns upon the single question whether, under the circumstances already narrated, and in view of the rules of the defendant bank, it was the duty of the Cashier to make a comparison of the signature to the alleged forged check with the genuine signature of the plaintiff on the books of the bank, or if, there being nothing to reasonably excite his suspicion as to the honesty of the transaction, he was authorized to pay the money by reason of the presentation of the pass-book and an apparently genuine check. So far as we are aware, no case has ever been decided by this court which is in point on this subject, and we are therefore compelled to rely upon standard text-books and cases adjudicated by other courts for authority for the ruling now made.

There are many points of marked difference between Savings banks and ordinary banks which receive deposits subject to check and pay no interest thereon. In the nature of the relationship between the Savings Bank and its depositors, the rules governing that relationship enter into the contract of deposit, and especially is this so when the depositor agrees in writing that he shall be bound by these rules. It is a common rule of such banks that the depositor shall produce his bank-book in order to draw his deposit, or any part of it, and that production of the book shall be authority to the bank to pay the person producing it. "This is regarded as a reasonable and binding regulation, and if the bank pay to one having the book, there being no circumstances to excite suspicion and base an imputation of negligence on the part of the bank, the payment is good." (2 Morse, Banks and Banking, Section 620; Schoenwald vs. Metropolitan Sav. Bank, 57 N. Y. 418; Levy vs. Franklin Sav. Bank, 117 Mass. 448; Goldrick vs. Bristol County Sav. Bank, 123 Mass. 320; Burrill vs. Dollar Sav. Bank, 92 Pa. 134; Donlan vs. Provident Inst., 127 Mass. 183; Cosgrove vs. Provident Inst. [N. J. Err. & App.] 46 Atl. 617.)

In the case of Sullivan vs. Lewiston Institution of Savings, 56 Me. 507, which is very closely in point, it was held: "Officers of Savings institutions are required to exercise reasonable care and intelligence only in making payments on account of deposits. And if, using such care and diligence, but lacking present means of identifying the claimant of the deposit, they make a payment upon presentation of the book by one apparently in the lawful possession of it as owner, the institution has a right to rely upon the contract of the depositor safely to keep the evidence of his claim, or to make known its loss before it is presented for payment, and the depositor is bound by the payment."

The reason for such a rule is at once apparent when the nature of Savings institutions is considered. Deposits are not subject to check, and most of the depositors are seen but occasionally at the bank, rendering identification of the depositor more difficult than is the case with ordinary banks. By agreement between the bank and its depositors, possession of the pass-book is made prima facie evidence of the right to draw upon the fund which it represents. The check itself is unlike checks drawn upon ordinary banks, not being negotiable, and being in reality nothing but a receipt for the money drawn.

Of course, a Savings bank would be liable if its officers or employees

should negligently or recklessly pay out money to one not entitled to receive it; and this seems to be the basis of the cases relied upon as authority by counsel for the plaintiff in error. But in this case there seems to have been no negligence chargeable to the bank. The money was paid in good faith to one in possession of the plaintiff's pass-book, and apparently clothed with the right to that possession. Under the rules of the bank, assented to by the plaintiff, possession of the pass-book was prima facie evidence of the right to draw the money which it represented; and there seems to have been absolutely nothing to put the teller on inquiry as to the genuineness of the check. Under these circumstances we cannot hold that it was his duty to go further, and compare the signature with that of the plaintiff on file in the bank, and that, failing in this, the bank is liable for the money so paid out.

Much stress is laid in the brief of counsel for the plaintiff in error upon the rule that, unless the depositor is personally present with his pass-book when drawing money, "an order properly signed and witnessed must accompany the presentation of the book in case of withdrawal," and it is urged that because the plaintiff did not appear in person, and the person who did present the pass-book had no order as required by the rule, the bank is liable for the payment of the money. Thoughtful consideration must show that this argument is entirely specious. Plainly, this rule has no application to a case like this, where the check drawn was in fraud of both the plaintiff and the bank. Its purport is merely to show that a Savings bank account is not negotiable by delivery of the pass-book, and to prescribe that when a depositor wishes to assign his funds on deposit he must do it in a certain manner. It is also urged that the rule reciting that "every effort will be made to protect depositors against fraud" required that the Cashier or teller to whom the check was presented should at least compare the signature to the check with that of the plaintiff on file with the bank; and that the ensuing clause, "but payment made to a person presenting pass-book shall be good and valid on account of the owner," etc., when taken in connection with the first part of the rule, conveys the meaning that the bank will only be excused from liability when it pays the money after having exerted "every effort" and used extreme caution to prevent fraud.

We cannot agree with this construction of the rule. Giving it what seems to us a reasonable intendment, the rule means this: "We will do what we can to keep you from being defrauded, but, as the pass-book is prima facie evidence of the right to draw money, you must look well after your pass-book, and see that it does not fall into the hands of a thief or forger. Our means of identification are imperfect, and if your pass-book is presented by some one other than yourself, with apparent right to draw your money, we will, unless our suspicions are aroused, honor his check without further question. We will deal honestly and fairly with you, but you must take every precaution to protect yourself by the preservation of your pass-book."

Such a rule is reasonable, and, as the plaintiff in the present case assented to it in writing, he is bound by its terms.

The foregoing disposes of the case on its substantial merits, and it follows that, regardless of inaccuracies in the charge of the court as disclosed by the motion for a new trial, the verdict was demanded, and the judgment overruling the motion will not be disturbed.

Judgment affirmed. All the justices concur.

PURCHASE BY NATIONAL BANK OF STOCK IN OTHER BANKS—ASSESSMENT.

United States Circuit Court of Appeals, Eighth Circuit, September 5th, 1904.

SHAW *vs.* GERMAN-AMERICAN NATIONAL BANK OF ST. PAUL.

A National bank has no power to invest its surplus fund in the stock of another National bank, and cannot be assessed thereon as a stockholder, although it actually made the purchase and held and received dividends on the stock.

In error to the Circuit Court of the United States for the District of Minnesota.

Before Sanborn and Van Devanter, Circuit Judges, and Amidon, District Judge.

AMIDON, *District Judge*: The First National Bank, of Pembina, N. D., failed December 21, 1897, and the plaintiff herein is the Receiver thereof, duly appointed by the Comptroller of the Currency.

In December, 1899, the defendant, the National German-American Bank of St. Paul, purchased from the former owner thereof thirty-seven shares of the capital stock of the Pembina Bank with funds drawn from its own surplus. This stock and the certificate evidencing the same were, by an instrument in writing, duly transferred to the defendant. The purchase was properly entered in its books and records as an investment of its surplus, and so appeared down to the failure of the Pembina Bank, when it was charged off as a loss. The old certificate was promptly surrendered at the time of the purchase, and a new one taken in the name of the defendant. From that time it appeared upon the books and records of the Pembina Bank as the absolute owner of this stock, and received as such shareholder dividends aggregating $2,368.

The present action is brought to recover an assessment of 100 per cent. levied upon said stock by the Comptroller of the Currency. To an amended complaint setting forth these facts a general demurrer was interposed, which was sustained by the trial court, and, the plaintiff electing to stand upon his complaint, final judgment went against him. These are the only errors now complained of.

The record contains no fact which can properly distinguish this case from California National Bank vs. Kennedy, 167 U. S. 362, 831, and First National Bank vs. Hawkins, 174 U. S. 364. Counsel for plaintiff asks us to re-examine the doctrines there announced by the Supreme Court. That, of course, we can not do. Upon the authority of those decisions the judgment is affirmed.

MISAPPROPRIATION OF FUNDS BY CASHIER—DRAFTS DRAWN BY CASHIER TO PAY PRIVATE DEBTS—RECOVERY.

St. Louis Court of Appeals, Missouri, March 15, 1904.

KITCHENS, *et al. vs.* TEASDALE COMMISSION COMPANY.

Where funds of a bank have been misappropriated by the Cashier, the bank may recover the same from a person taking them with knowledge of the misappropriation.

The fact that the directors of the bank were culpably negligent in supervising the acts of the Cashier is no defense to the person receiving such funds in an action to recover the same.

Where a Cashier uses drafts drawn by himself as Cashier on the bank's correspondent for his own use in grain speculation, the broker receiving the same is charged with notice that the Cashier is misapplying the funds of the bank.

Evidence that it is a general custom for Cashiers of banks to draw drafts on their banks in payment of their own indebtedness is inadmissible, since such a custom would be illegal.

This action was by the Receivers of the Greene County Bank, upon five drafts, substantially in the form following: "Greene County Bank. Para-

gould, Arkansas, Dec. 8, 1899. Pay to the order of J. H. Teasdale Commission Company three hundred dollars. W. H. Ritter, Cashier. To Western National Bank, New York City. No. 6,160."

The petition was subdivided into five counts, with modifications appropriate for varying dates, of December, 1899, and January, 1900, amounts, and drawee; two of the drafts being upon the Western National Bank, N. Y., and the remaining three upon the Merchants' Laclede National Bank, St. Louis, and all were remitted to appellant by their maker and drawer, W. H. Ritter, Cashier, and collected and placed to his individual account with appellant, in speculative personal operations in grain conducted by him through the commission company. The proceeds of these remittances were absorbed and lost in these ventures, saving a trifling balance repaid Ritter. The drafts were drawn and executed by Ritter, and entered in a book of account of the bank, in which he was required to record exchange drawn. The bank had never conferred any authority to Ritter to employ its funds for his own purposes, and subsequent to its suspension it was discovered that these drafts were drawn in favor of appellant in lieu of the payees, in whose names they were entered in the exchange ledger. Ritter was Cashier at dates of the drafts, and had occupied such official position for several years preceding. The book of account containing the personal account of Ritter displayed that from December 1, 1899, to the same date in February, 1900, his account had been overdrawn, and the largest amount to his credit at any one time had been but little in excess of $100, which had been applied shortly after its receipt upon a transaction other than those here involved, and none of these drafts appeared charged against his account. The court directed the jury to find a verdict for plaintiffs for the respective amounts of the several drafts, with interest accrued.

Reyburn, *J.*: The appellant contended that it should have been permitted to introduce testimony to prove that the directors ignored their duties, and for a considerable period permitted the Cashier to have entire management and conduct of the institution, and thereby the bank became bound by his actions. Although the members of the directory of the bank may have been guilty of culpable negligence or gross neglect by their careless supervision of the business and disregard of their official duties, and permitted Ritter to have exclusive management of its affairs, which might have rendered them responsible to creditors or stockholders for the losses ensuing, yet their wrongful actions and neglect of duty constitute no defense to this action, available in behalf of the defendant.

This proceeding is for the recovery of funds confessedly known by appellant's officer to have been the corporate property, being then applied by its Cashier to his personal speculations by draft upon its correspondents over his official title. By the medium adopted for the transfer of the money, defendant was apprised that Ritter, by abuse of his power as Cashier, was employing the funds of his principal in speculation on his individual account, and in affairs which, from their nature, excluded the possibility of being concerns of the bank. That he was transcending the well-known extent of his agency, and using the money of his principal in his private transactions, was manifest.

In the unconcealed application of the funds known to be the bank's property to Ritter's individual affairs, there is no room for maintaining that the transactions were other than his own affairs, not as Cashier, but personally and individually. Appellant knew it was dealing with Ritter personally, and also knew the funds of the bank were used by him for his own ends, and that the funds were in course of deliberate misappropriation by betrayal of Ritter's trust. It is true that the transmission of cash, by means of draft of remitting bank through its Cashier, drawn upon its depositary correspondents at distant cities, has been adopted so universally in the commercial world that such instruments partake of the convenience and characteristics of currency itself; but if currency of the defrauded bank had, in specie, been forwarded direct to appellant by the Cashier, Ritter, for his own purposes, with notice or knowledge on part of the appellant of the ownership and rights of the bank therein, there could be no doubt of the obligation of appellant to make restitution of such sums;

and, in legal contemplation, the situation here displayed is substantially the same as such illustration. The same rule of law governs the agency of a Cashier, as applicable to any other fiduciary relationship, and the right of recovery of the principal's funds from the party obtaining them from the agent with the full knowledge of their misappropriation is too apparent to admit of reasonable debate. Nor is it clear that vigilance and due performance of their duty by the officers of the bank would have revealed the fraud being practiced, and the misappropriation of the funds by the Cashier, as the record in the books of the bank of the drafts was falsified, and therein they purported to be drawn in favor of other payees than appellant.

The legal principles governing the situation here presented have been recognized in this and other jurisdictions, and in other States decisions have been invoked upon facts strikingly analogous to those here exhibited. (Lee vs. Smith, 84 Mo. 304; Lamson vs. Beard, 94 Fed. 30; Mendel vs. Boyd, [Neb.] 91 N. W. 860; Anderson vs. Kissam, [C. C.] 35 Fed. 699; Campbell vs. Bank, 67 N. J. Law, 301.)

2. The appellant interposed as its answer a general denial, and, without amendment, tendered proof of a secured note given by Ritter after the last of the drafts had been transmitted, and of acceptance by the directory in settlement. No application to amend the answer was made, and such testimony was properly excluded. The evidence sought to be admitted was not proof of payment, but, so far as imperfectly disclosed, might have established a settlement of overdrafts; and, in absence of even a synopsis in the record of the form of plaintiff's statement of its cause of action, it cannot be conjectured how the decisions appealed to by appellant are pertinent. The case of State ex rel. vs. Peterson, 142 Mo. 526, merely declares that a special plea of payment is not essential, when the allegation of nonpayment is a necessary and substantial averment to constitute plaintiff's cause of action.

3. The testimony sought to be elicited from the banking expert, to the effect that it was a general custom for Cashiers of banks to draw drafts upon their own banks in payment of their own indebtedness, was not admissible. The drafts in question were not drawn in such form, and the line of inquiry not addressed to the state of facts developed; but, if such custom prevailed and had been established, it would have been in violation of law, and the legal consequence could not have been avoided, that the payee of such drafts would have been liable to repay to their actual owner such unlawfully diverted funds, under such facts as are disclosed here.

The judgment was for the right party, and is affirmed.

Bland, P. J., and Goode, J., concur.

BANKRUPTCY OF BANKING FIRM—SET-OFF.

United States District Court, W. D., New York, September 12, 1904.

In re SHULTS, *et al.*

Where a banking firm has become bankrupt, a depositor may set off his deposit against his liability as indorser on a note held by the firm.

But such depositor may not set off against such liability the claims of other depositors assigned to him within four months before the filing of the petition in bankruptcy.

This was a review of the decision of a referee in bankruptcy refusing to allow the claimants to set off certain claims transferred to them against their liability to the bankrupts.

Prior to June 23, 1903, Catherine Shults and Rose Marks, as copartners, carried on the business of private bankers in Cohocton, N. Y., under the firm name of W. J. Shults & Co. On the above date the bank closed, and suspended payment, and notice of such suspension was posted upon the outer door of the bank. On July 27, 1903, the bankers, upon their voluntary petition, were adjudged bankrupts, individually and as copartners, and a trustee was appointed. While the bankrupts conducted the business of banking, Henry P. Wilcox and Jennie A. Wilcox, his wife, had each opened

an account in their separate names, subject to withdrawal by individual check or draft. The firm of Wilcox & Son, of which the depositor, Henry P. Wilcox, was a member, were also customers of the bankrupts; but on the day the bank suspended payment, their account was overdrawn to the amount of $6.57. The individual deposits of Jennie A. Wilcox, amounting to $165.66, and of Henry P. Wilcox, of $255.05, were on July 1, 1903, transferred by them in writing to Wilcox & Son, who were then indebted to the bank in the small overdraft above stated, and were also liable to the bank as makers and indorsers of promissory notes in the amount of $455. Wilcox & Son sought to offset against their liability to the bankrupts the sum of $420.70, the amount of the claims assigned to them. It was conceded that the accounts of the depositors above mentioned were assigned and transferred in the manner stated for the express purpose of enabling Wilcox & Son, as such assignees, to offset the same against their liability to the bank. It was also admitted by the claimants that the parties knew that the bank had suspended payment and closed its doors when the claims were transferred. The record also showed that Henry P. Wilcox was liable to the bank as indorser upon a promissory note made by one Finch, amounting to $48, which became due on July 1, 1903. The referee held that the amount of the note could be set off against the deposit, thus diminishing the amount of the bankrupt's debt.

HAZEL, *District Judge* (omitting part of the opinion): The principle underlying the case of mutual debts and credits ordinarily applies in the transactions of banking. (In re Little [D. C.] 110 Fed. 621.) And in the absence of fraud or collusion, the bank may set off the deposit against notes of the bankrupt held by it. (New York County National Bank vs. Massey, 192 U. S. 138.) The principle of the case just cited unquestionably applies to the case at bar. Hence the liability of Wilcox as indorser on the Finch note may in part be set off against the amount remaining on deposit. Although the suspension of payment by the bankers, and the posting of notice that they were unable to meet their obligations, is not strictly an act of bankruptcy, the referee correctly decided, on the evidence, that the claims of Jennie A. Wilcox and Henry P. Wilcox against the bankrupts were transferred to Wilcox & Son within four months before filing the petition in bankruptcy with a view of asserting a counterclaim or set-off, and that the assignee had knowledge of the bankrupt's insolvency. It has been held that by depositing money with a bank an ordinary debt is created, although the money is to be paid on demand, or when a check or draft is drawn against it. No fiduciary relationship is established, and the claim of the creditor who deposits money in a bank is provable in bankruptcy. (New York County National Bank vs. Massey, supra.) To permit a transfer of a claim which would give a debtor of the bank a set-off and counterclaim against his liability would undoubtedly be a preference, within the meaning of the bankrupt act. The proofs show that the assignment under consideration was made with such knowledge regarding the affairs of the bankrupt as enabled the claimants to secure, if possible, an unlawful preference.

PROMISSORY NOTE—CONTINGENCY ACCELERATING PAYMENT.

Supreme Court of Wisconsin, November 15, 1904.

THORPE VS. MINDEMAN *et al.*

Under the Negotiable Instruments Law a promissory note otherwise negotiable is not rendered non-negotiable by a provision therein that the whole principal shall become due at the mortgagee's option in case of failure to pay interest to perform any of the conditions of a mortgage given to secure the same.

This was an action to foreclose a note and mortgage given by the defendants Mindeman and wife to one Henry Herman, the defence being an entire want of consideration. The note was a promissory note for $6,500, dated December 11, 1900, payable three years after date, with interest at five per cent. per annum, semiannually, and contained the following provisions inserted be-

fore the signature: "The payment of this note is secured by a mortgage of even date herewith on real estate. If default shall be made in the payment of interest, or in case of failure to comply with any of the conditions or agreements of the mortgage collateral hereto, then the whole amount of the principal shall at the option of the mortgagee, or his representatives or assigns, (notice of such option being hereby expressly waived), become due and payable without any notice whatever."

It appeared from the testimony of the defendant Mindeman, which was taken under objection, that the note and mortgage was given to cover advances to be made to him by Herman, but that none were ever in fact made. September 11, 1902, Herman sold the note and mortgage to the plaintiff, who was an innocent purchaser thereof, and made the following indorsement upon the note: "For value received, I hereby sell, transfer and assign the within note and the interest coupons thereto attached and numbered four to six inclusive, (previous interest coupons having been paid and surrendered), to Josephine Thorpe, without recourse." Findings and judgment of foreclosure were made and signed, and the Mindemans appeal from the judgment as well as from a subsequent order appointing a receiver.

Winslow, *J.* (omitting part of the opinion): As will be seen by reference to the papers themselves, the mortgage contains conditions requiring the payment of taxes on the premises by the mortgagor; the exhibition of the receipts therefor to the mortgagee; the maintenance of insurance on the buildings in approved companies, with the right to the mortgagee to insure in case of failure of the mortgagor, the expense to be a lien on the premises "added to the amount" of the note; also a provision that in case of failure to pay interest, taxes, or insurance, or to exhibit the tax receipts, the principal sum shall, at the option of the mortgagee, become due without notice. Turning to the note, we find that it provides that, if default is made in payment of interest, or in case of failure to comply with any of the conditions or agreements of the mortgage, then the principal shall become due at the option of the mortgagee, without notice.

It will be noticed at once that none of the collateral agreements of the mortgage are in terms imported into the note except the agreement that the principal shall become due, at the mortgagee's option, in case of failure to perform any of the agreements of the mortgage. It will be noticed also that the other collateral agreements contained in the mortgage are simply agreements providing for the due preservation of the mortgage security, and not affecting in any way either the time of payment or the amount of the note. These agreements are the agreement to pay the taxes and exhibit the receipts, the agreement to effect and maintain insurance on the buildings for the mortgagee's benefit, and the agreement that the mortgagee may insure in case of default, and have a lien on the premises "added" to the note for the premiums paid. There was, indeed, a claim made that the agreement that the premiums paid should constitute a lien added to the note meant that the note was to be increased by the amount paid, so that the amount of the note was thereby rendered uncertain; but we think it plain that the clause simply provides for acquiring a lien upon the premises in addition to the lien of the note. This meaning seems so obvious to us that we will spend no more time upon the suggestion.

These last-named collateral agreements, then, being simply proper agreements for the preservation of the security, and not intended nor fitted to qualify or affect in any way the absolute promises of the note, do not, upon the principles hereinbefore laid down, enter into or change the note in the least, nor affect its negotiability. Such being the case, we have only to consider the question whether the agreement that the whole principal of the note shall be due at the mortgagee's option in case of a failure to pay interest or perform any of the conditions of the mortgage renders the note non-negotiable.

Upon this question appellant places reliance upon the cases of Bank vs. McGeoch, 73 Wis. 332, and Kimball vs. Mellon, 80 Wis. 133. In the first of these cases, an agreement inserted in the note, providing that the payee might sell collateral securities at any time if they declined in value ,and apply the proceeds, less expense of sale, on the debt, and the balance should forthwith

become due, was held to make the note uncertain as to amount and time of payment, and hence non-negotiable. In the Kimball Case, an agreement that, in case of failure to pay any installment, or of any attempt to dispose of or remove the chattel for which the note was given, the holder might declare the whole amount due, and collect same by suit or sale of the property, and, if there was a deficiency after sale, it should be payable on demand, was held to make both amount and time of payment uncertain, and hence make the note non-negotiable. It must be admitted that both of these cases have a strong tendency to support the position of the appellant upon the proposition that the time of payment is rendered uncertain by the agreement before us. Especially is this true of the Kimball Case. In that case the uncertainty as to time resulted from the fact that, in case the giver of the note failed to pay an installment, or attempted to dispose of or remove the property sold, the holder might at once collect the whole. In the present case the agreement is that in case of failure to pay interest or keep taxes and insurance paid the holder may at once collect the whole. In both cases the contingency depends upon the acts or omissions of the maker of the note.

We should find it quite hard, if not impossible, to differentiate the two cases were it not for the provisions of the Negotiable Instruments Law (chapter 356, p. 681, Laws 1899), which was passed since the decisions cited, and prior to the giving of the note in question. This law gives the general requirements of negotiable paper in section 1675-1, p. 682, among which are the following: "(1) It must be in writing signed by the maker or drawer. (2) Must contain an unconditional promise or order to pay a sum certain in money. (3) Must be payable on demand or at a fixed or determinable future time." The law then provides, in section 1675-2, p. 684, that the sum is certain within the meaning of the law though it is to be paid "(3) by stated installments, with a provision that upon default in payment of any installment or of interest the whole shall become due." The law further provides, in section 1675-4, p. 686, that an instrument is payable at a determinable future time, within the meaning of the law, which is payable "(4) at a fixed period after date or sight, though payable before then on a contingency." These two provisions seem to cover this whole case, and leave really nothing to discuss. This note is payable at a fixed period after date, but may be made payable before that time upon the happening of certain contingencies which are within control of the maker. The latter clause quoted would seem to have been added to meet just such cases as the present. Such agreements as we have here are of very frequent occurrence, and it was evidently the purpose to provide for them.

The case of Wisconsin Yearly Meeting of Freewill Baptists vs. Babler, 115 Wis. 289, is also somewhat relied on by appellant, but it evidently has no bearing on the case. In that case it was held that a clause in a note authorizing the confession of judgment at any time, whether due or not, rendered the note non-negotiable, because the time of payment depended entirely on the whim or caprice of the maker. As an additional reason for the ruling, the fact that the Negotiable Instruments Law allows the insertion of a clause authorizing a confession of judgment if not paid at maturity, was also referred to.

* * * * * * * * * * * * * * *

The cases of Dilley vs. Van Wie, 6 Wis. 209, and Elmore vs. Hoffman, Id. 68, are also cited as sustaining appellants' contention, but it is evident that they do not. In the Dilley Case the note contained an express clause subjecting it to the provisions of another agreement, made on the same day, by which it appeared that the payment was subject to certain equities between the parties. This clause was rightly held to deprive the paper of its negotiable character. In the Elmore Case it was held that a collateral agreement made between the parties contemporaneously with a note, by which the payee agreed to give day of payment on the note till the happening of a certain named contingency, was admissible in evidence to defeat an action on the note in the hands of one who purchased the note with notice of the contemporaneous agreement. We hold, therefore, that under the present Negotiable Instruments Law the note in the present case is negotiable, and in so holding

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it is evident that the cases of Bank vs. McGeoch, supra, and Kimball vs. Mellon, supra, are overruled so far, at least, as they hold that such agreements create an uncertainty in the time of payment.

NATIONAL BANK—USURY—WHEN INTEREST FORFEITED.

Supreme Court of the United States, November 28, 1904.

CITIZENS' NATIONAL BANK OF KANSAS CITY *vs.* DONNELL.

By compounding interest oftener than is permitted by Mo. Rev. Stat. § 3711, a National bank charges interest at a higher rate than that allowed by the laws of the State, within the meaning of U. S. Rev. Stat. § 5197, U. S. Comp. Stat. 1901, p. 3493, fixing the rate which National banks may charge, although the compounded interest is less than the State laws permit to be charged directly without compounding.

A National bank which has made a 12 per cent. charge on overdrafts, where 8 per cent. is the highest rate of interest permitted by the State laws, cannot escape the forfeiture prescribed by U. S. Rev. Stat. § 5198, U. S. Comp. Stat. 1901, p. 3493, where a greater rate of interest is charged than the State laws allow, because of the trifling amount, or on the theory that the charge is a penalty because of the failure to pay a debt when due.

A National bank whose action on a promissory note is met by the plea of usury may not avoid the forfeiture of the entire interest, imposed by U. S. Rev. Stat. § 5198, U. S. Comp. Stat. 1901, p. 3493, in absolute terms, by then declaring an election to remit the excessive interest.

In error to the Supreme Court of the State of Missouri to review a judgment reversing the judgment of the Circuit Court of Jackson County, in that State, in favor of plaintiff in a suit on a promissory note for the full amount claimed, and directing the trial court to enter up judgment for plaintiff without interest, which it decided was forfeited under the National Banking Act because usurious.

This is a writ of error to the Supreme Court of Missouri on the ground that the plaintiff in error is denied the rights with regard to charging interest conferred upon it by the National Banking Act. (Rev. Stat. §§ 5197, 5198, U. S. Comp. Stat. 1901, p. 3493.)

The suit was brought by the plaintiff in error upon a promissory note for $20,000, with interest at eight per cent., made on April 29, 1892. The facts, shortly stated, are as follows: On October 29, 1892, the plaintiff bought the defendant's note for $15,000, with interest at seven per cent. On July 12, 1895, the defendant being behindhand with his payments of interest and also having overdrawn a bank account which he kept in the plaintiff's bank, he gave the plaintiff a new note for $17,500, and interest at seven per cent., in satisfaction of both liabilities. The amount of this note included three semi-annual interest charges of $525 each, with a few days' further interest, on the former note, with interest on this interest from the time it was due, and charges of 1 per cent. or more a month on the amount overdrawn each month. It left the defendant with a credit on his bank account of $230.50. On April 29, 1896, the note in suit and another note for $2,000 were given in satisfaction of the last note for $17,500, and of another note for $2,500, of October 1, 1895, with interest accrued on both, and of an overdraft of $919.90, and a balance of $2.42. The overdraft item included, as before, charges of about 1 per cent. a month on the amounts actually overdrawn.

Mr. Justice HOLMES delivered the opinion of the Court.

The Supreme Court of Missouri held that the plaintiff must forfeit all interest from the beginning of the above transactions, and could recover only the original $15,000, the actual overdraft on July, 12, 1895, $474.24, the bank credit of $230, given the same day, the note of October 1, 1895, for $2,500, the overdraft on April 29, 1896, of $878.81, and the bank credit of $2.42—in all, $19,081.97, less $5,500 collected on account since the action was begun. (172 Mo. 384 72 S. W. 925.)

By the U. S. Stat. § 5197, U. S. Comp. Stat. 1901, p. 3493, a bank may charge "interest at the rate allowed by the laws of the State, . . . where the bank is located, and no more." By § 5198 (U. S. Comp. Stat. 1901, p.

3493), taking, receiving, or charging "a rate of interest greater than is allowed by the preceding section, when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon."

The Revised Statutes of Missouri fix six per cent. as the rate of interest in the absence of agreement (§ 3705), but allow parties to agree in writing for not over eight per cent. (§ 3706). They also allow parties to contract in writing for the payment of interest upon interest, "but the interest shall not be compounded oftener than once in a year" (§ 3711).

It will be seen that the charge on the overdrafts went beyond § 3706, and the compounding of the semi-annual interest on the notes encountered (§ 3711).

The plaintiff in error denies that the prohibition of compounding oftener than once a year affects the "rate of interest" within the meaning of those words in U. S. Rev. Stat. § 5198, U. S. Comp. Stat. 1901, p. 3493, and contends that so long as the total sums received would not amount to more than eight per cent. on the debt, it has a right to charge them under U. S. Rev. Stat. § 5197, U. S. Comp. Stat. 1901 p. 3493, coupled with Mo. Rev. Stat. §3706. It disposes of the twelve per cent. charge on overdrafts by the suggestion that the amount is trifling, and *de minimis non curat lex*, and that this charge was a penalty because of a failure to pay a debt when due, and therefore not usurious. We are of a different opinion. The rate of interest which a man receives is greater when he is allowed to compound than when he is not, the other elements in the case being the same. Even if the compound interest is less than might be charged directly without compounding, a statute may forbid enlarging the rate in that way, whatever may be the rules of the common law. The Supreme Court of Missouri holds that that is what the Missouri statute has done. On that point, and on the question whether what was done amounted to compounding within the meaning of the Missouri statute, we follow the State court. (Union Nat. Bank vs. Louisville, N. A. & C. R. Co., 163 U. S. 325, 331.)

Therefore, since the interest charged and received by the plaintiff was compounded more than once a year, it was at a rate greater than was allowed by U. S. Rev. Stat. § 5197, U. S. Comp. Stat. 1901, p. 3493, and it was forfeited. The suggestions as to the twelve per cent. charge on overdrafts do not seem to us to need answer.

There is no doubt, of course, that the court could go behind the face of the present note, and analyze the sum which it represents into its original elements. (Brown vs. Marion Nat. Bank, 169 U. S. 416; Haseltine vs. Central Nat. Bank, 183 U. S. 132, 135, 136.)

These cases sufficiently show, also, if more is wanted than the words of Rev. Stat. § 5198, U. S. Comp. Stat. 1901, p. 3493, that the court below did not err in forfeiting all the interest from the beginning.

We perceive no warrant in the statute or the cases for the contention that the bank, when it brings the action and is met by the plea of usury, may avoid the forfeiture imposed by Rev. Stat. § 5198, U. S. Comp. Stat. 1901, p. 3493, in absolute terms, by then declaring an election to remit the excessive interest.

Judgment affirmed.

CERTIFICATE OF PROTEST—WHEN INSUFFICIENT.

Supreme Court of New Jersey, November 7, 1904.

MASON *v.* KILCOURSE.

A certificate of protest is insufficient when it does not show in what post office the notice of protest was deposited, or to what post office the envelope containing the notice was addressed.

This was an action against an indorser of a promissory note. The note was dated October 1, 1896, payable four months after its date, and was for $150. When the note came due, it was protested for non-payment. On

August 10, 1901, the maker paid $75 upon the note. This suit was brought to recover the balance.

FORT, J.: There was no proper proof of protest and notice thereof to the defendant. The certificate of the notary was offered in evidence in the cause and admitted. This is permissible only when a copy of the notarial certificate is annexed to the state of the demand filed in the cause. (P. L. 1900, p. 367, § 21.) No copy of such certificate was annexed to the demand in this case.

The defendant in this cause filed a plea in the district court, and stated that his defense would be the statute of limitations, and that the note set forth in the plaintiff's declaration had not been legally protested. The notarial certificate which was admitted in evidence in this cause, and which is returned in the record, even if it had been evidential, does not establish the requisites of a good protest. It does not show in what post office the notice to the defendant was deposited, nor does it show to what post-office address the letter said to contain the notice was directed to the defendant.

The defendant therefore was entitled to have the offer in evidence of the notarial certificate overruled, and, for failure of proof of protest which would have resulted from the overruling of this offer, he would have been entitled to a nonsuit. But upon the certificate itself, it not showing proper notice, even if it had been improperly admitted in evidence, he was likewise entitled to his motion for a nonsuit.

PROMISSORY NOTE—AGREEMENT FOR ATTORNEY'S FEE.

Supreme Judicial Court of Massachusetts, November 29, 1904.

CHERRY *vs.* SPRAGUE.

A note otherwise negotiable in form is not deprived of its character of a promissory note by a provision that if suit is commenced the customary attorney's fee shall be added to the amount of the judgment.

This action was brought upon a note in the following form:

"$218.00. Sioux Falls, S. D., April 15, 1895. Four months after date for value received I promise to pay to the order of U. S. G. Cherry two hundred and eighteen dollars, with interest at six per cent. per annum, at the Union National Bank, Sioux Falls, South Dakota.

Unpaid interest shall bear interest at twelve per cent. and if suit is commenced the customary attorney's fee shall be added to the amount of the judgment and taxed up as part of the costs in the cause.

Due Aug. 15, '95.

No. 3,682. [Signed] Odin Fritz.

[Indorsed]: Charles H. Sprague, C. Everett Washburn, U. S. G. Cherry."

BARKER, J. (omitting part of the opinion): The instrument contains an unconditional promise to pay at a day certain the definite sum of $218, with interest at six per cent. per annum from August 15, 1895, to the order of the plaintiff. If this were all, it would, of course, be a promissory note. But the additional stipulations do not change the promise into a conditional one in any respect, and they relate solely to the manner in which the unconditional promise to pay the definite sum may be enforced if broken. This distinguishes the case from Haskell vs. Lambert, 16 Gray, 592; Costelo vs. Crowell, 127 Mass. 293; Sloan vs. McCarty, 134 Mass. 245; Moore vs. Edwards, 167 Mass. 75.

In each of those cases the added stipulations made the contract conditional, or the promise one to pay an indefinite amount, or not to pay the sum named absolutely and at all events. It is settled that the incorporation into an instrument which contains an unconditional promise to pay a definite sum of money of additional stipulations does not of itself necessarily deprive the instrument of the character of a promissory note. A recital that an additional rate of interest will be paid after maturity, and that the maker deposited certain collateral, and a statement of the terms upon which the collateral has been deposited, and on which it may be sold upon non-payment of the note, does not have that effect. (Towne vs. Rice, 122 Mass. 67, 73-75, and cases cited.)

The test is that intimated by Mr. Justice Field in Sloan vs. McCarty, supra. If the additional stipulation relates to the manner in which the unconditional promise to pay a definite sum may be enforced, and does not change the promise from one to pay that sum absolutely and at all events, or change the general nature of the whole contract, the instrument is a promissory note, notwithstanding the additional stipulations relating to the manner of enforcement of the promise if it shall be broken.

In the present instance, as the suit is brought by the original promisee, it is of no importance whether the instrument is negotiable or non-negotiable, and we do not consider or decide that question.

SAVINGS BANK—PAYMENT TO WRONG PERSON—RULES OF BANK.

Supreme Court of Errors of Connecticut, November 11, 1904.

CHASE vs. WATERBURY SAVINGS BANK.

By accepting from a Savings bank a bank book in which certain of its by-laws are printed, the depositor assents to such by-laws and they become a part of the contract of deposit for the protection of the bank and the depositor, and binding alike upon both.

A Savings bank agreed with its depositors that deposits withdrawn should be paid only to the depositor or to his order, and then only on the depositor's book being presented, but that it would not be responsible to any depositor for any fraud practiced on it or by presenting a depositor's book and drawing money without the knowledge or consent of the owner. Held, that the bank was not relieved of its duty of exercising ordinary care in preventing payment of a deposit to a wrong person, though he presented a depositor's book, but the agreement furnished a complete defense for payments made in the exercise of ordinary care to a wrong person.

From April 1, 1887, to September 26, 1900, the plaintiff made in person 25 deposits in the defendant's Savings bank, which, with dividends added at the rate declared by the bank, amounted at the time of the trial, in March, 1904, to $3,230. The plaintiff has neither herself withdrawn any part of said sum, nor has she given any order for any payment to others. Upon four occasions between December 31, 1901, and March 3, 1902, the plaintiff's daughter Mrs. Keith, who, with her husband, lived with the plaintiff, obtained money from the bank, amounting in all to $500, by presenting the plaintiff's bank book, of which she had fraudulently obtained the possession, and by presenting with the bank book forged orders purporting to have been signed by the plaintiff, directing payment to be made to Mrs. Keith of the sums named in the orders.

Early in April, 1902, Mrs. Keith confessed to her mother that she had drawn money upon the bank book, but claimed that she could obtain no more without an order from the plaintiff, and offered to write to the bank and secure a reply which would satisfy the plaintiff, and a few days later read to her mother what purported to be a letter from the bank to the effect that no further money could be drawn on the plaintiff's account without an order from the plaintiff, and that it would be all right. Thereafter the plaintiff kept her bank book locked up in a more secure place, but did not then notify the bank that her daughter had thus wrongfully obtained possession of the bank book and drawn the money.

On April 16, 1902, Mrs. Keith presented at the bank to Mr. Merriman, the defendant's bookkeeper, a forged letter of that date, purporting to have been signed by the plaintiff, addressed to the Treasurer of the bank, representing that the plaintiff had accidentally destroyed her bank book, and requesting that a new one be issued in its place, and further stating that the plaintiff was an invalid, and had sent her daughter Mrs. Keith to get the new book, and had inclosed an order for money. Mr. Merriman informed Mrs. Keith that a new book could not be issued until a bond had been given to the bank, and prepared and gave to Mrs. Keith a form of a bond, with instructions to have it executed by the plaintiff and some responsible person as surety. On the following day Mrs. Keith presented the bond to Mr. Merriman at the bank, with the plaintiff's name as principal, and the name of another person as surety signed thereto. Both signatures were forgeries. In the absence of

the Treasurer of the bank, and without inquiring as to the responsibility or existence of the person whose name appeared as surety on the bond, and without submitting the matter to the "board of direction," or to "a committee appointed for that purpose," Mr. Merriman issued and delivered to Mrs. Keith a new book, in the name of the plaintiff, with the balance due upon the first book transferred thereto, and at the same time paid to Mrs. Keith $300 upon a forged order presented by her, dated April 16, 1902, purporting to have been signed by the plaintiff, and directing said sum to be paid to Mrs. Keith upon the amount due upon the first book.

Six payments, amounting to $1,700, were made by the bank to Mrs. Keith upon presentation of said second book with forged orders of the plaintiff; the last payment having been made on October 27, 1902.

The plaintiff had no knowledge of the existence of said second book, nor of the payment of any money drawn by her daughter thereon, until informed of these facts by the bank on November 1, 1902, when she immediately obtained from her daughter the second book, and $20 of the money which she had fraudulently drawn. Said second book was issued, and all the payments upon both bank books were made, by the bank in good faith, and upon the belief that the letter and orders purporting to have been signed by the plaintiff were genuine; and the plaintiff gave no notice to the defendant that Mrs. Keith had fraudulently obtained possession of the first book, and that said letter and orders were forgeries, until November 1, 1902.

The following statement was printed in the plaintiff's bank book:

"Take Care of This Book. If you lose it or mislay it give immediate notice to the bank, as if it gets into improper hands you may be defrauded."

Among the by-laws printed in plaintiff's book were these:

"Art. 13. Dividends and money withdrawn shall be paid only to the depositor, or to the depositor's order, or legal representative; but neither the principal nor interest of any deposit shall be paid to any person, unless the depositor's book of entries made by an officer of the corporation or of the direction shall be presented that such payments may be entered therein, or unless the depositor shall prove to the satisfaction of the board of direction, or a committee appointed for that purpose, that such book has been lost or destroyed, in which case the depositor or his legal representative shall lodge with the treasurer a written discharge."

"Art. 15. This bank will not be responsible to any depositor, or to his heirs or assigns, for any fraud that may be practiced upon any of the officers of this institution by forged signatures, or by presenting a depositor's book, and drawing money without the knowledge or consent of the owner. And all entries of money paid, made in the depositor's book by an officer of the Institution, shall be deemed good and valid evidence of money paid, and shall exonerate this bank from any liability on account of any fraud practiced in drawing the money of any depositor."

HALL, *J.*: Whether the officers of the bank exercised reasonable care in issuing the second book, and in making the payments to Mrs. Keith upon the first and second book upon the forged orders, and whether the plaintiff was negligent in failing to keep her first bank book in a safe place, and in not notifying the bank that her daughter had fraudulently drawn money on the first book when she learned of it, in April, 1902, were among the disputed questions of fact at the trial.

The only properly assigned reasons of appeal are the denial of the defendant's motion for a new trial upon the ground that the verdict was against the evidence, and the failure of the trial judge to charge the jury in accordance with the specific requests set forth in the appeal. The last reason of appeal, that "the court erred in charging the jury as certified to in the printed record," is not a proper assignment of error. It fails to point out the particular errors complained of in a charge covering twelve pages of the printed record, and therefore raises no question which this court is bound to review. (Section 802, Gen. St. 1902; Hayden vs. Fair Haven & W. R. Co., 76 Conn. 355-365, Simmonds vs. Holmes, 61 Conn. 1-9.)

The substance of the several requests contained in the appeal may be fairly stated as these four requests to charge: First, that article 15 of the by-laws was sufficient authority to the bank for the payments made to Mrs.

Keith; second, that her failure to notify the bank that Mrs. Keith had fraudulently drawn money on her deposit book when she first learned of that fact prevented the plaintiff from recovering the sums paid by the bank to Mrs. Keith; third, that, if Mrs. Keith obtained possession of the deposit book through the carelessness of the plaintiff in her manner of keeping it, the plaintiff could not recover the money paid by the bank to Mrs. Keith by reason of her possession of the book; fourth, that the jury would not be justified in finding negligence on the part of the bank from the mere fact that signatures of depositors were not kept for the purpose of comparison, and that the fact that Mrs. Keith was a daughter of the plaintiff might be considered as partially excusing the officers of the bank for not having exercised greater caution.

By accepting from the bank and using, as she did, the deposit book, in which articles 13 and 15 of the by-laws were printed, the plaintiff assented to these regulations, and they became a part of the contract of deposit for the protection of the bank and the depositor, and binding alike upon both. (Eaves vs. People's Savings Bank, 27 Conn. 229-231; Doulan vs. Provident Institution, 127 Mass. 183; Appleby vs. Erie Co. Savings Bank, 62 N. Y. 12.)

By the language of article 13, in the absence of any modifying agreement the bank was authorized to pay deposits and dividends only to the depositor or his attorney, or in case of his death to his legal representative; and the bank could not avoid liability for a payment made upon a forged order to one who had fraudulently obtained possession of the deposit book, even by showing that such payment was made in good faith, and in the exercise of ordinary care, and in accordance with the general practice among savings banks. (Eaves vs. People's Savings Bank, supra.)

It was evidently for the purpose of relieving the bank from so great a liability that the provisions of article 13 were modified by those of article 15. It was undoubtedly learned from experience that the depositors of a Savings bank were so numerous that they could not all be personally known to its officers, that many of them were unaccustomed to writing, that they frequently kept their bank books where they were accessible to others, and that therefore in some instances competent officers, in the exercise of proper care and caution, would fail to detect forgeries and prevent imposition by persons presenting deposit books.

It was clearly to protect itself against losses from such impositions, and not from losses which it was its duty to prevent, and which by the exercise of ordinary care it could prevent, that article 15 was adopted. By its provisions the bank was not relieved from its duty to exercise ordinary care to prevent payment to the wrong person, even though such person presented a deposit book, and in accepting this regulation the depositor agreed to bear the loss of a payment to the wrong person presenting the deposit book only to the extent that the bank acted reasonably. (Ferguson vs. Harlem Savings Bank [Sup.] 86 N. Y. Supp. 825; Kummell vs. Germania Savings Bank, 127 N. Y. 488; Sullivan vs. Lewiston Savings Inst., 56 Me. 507; Ladd vs. Augusta Savings Bank, 96 Me. 510; Gifford vs. Rutland Savings Bank, 63 Vt. 108, Brown vs. Merrimac River Savings Bank, 67 N. H. 549; Wegner vs. Bank, 76 Wis. 242.)

The by-law in question was therefore not a sufficient authority to the bank for payments negligently made to Mrs. Keith, and the court did not err in not charging the jury in accordance with the first request.

Nor did the trial court err in not charging in accordance with the second and third requests. Article 15 furnished a complete defense against liability for payments to Mrs. Keith made by the bank in the exercise of reasonable care.

The second and third requests must therefore rest upon the claim that, under the doctrine of contributory negligence or of estoppel, the defendant would not be liable even for payments negligently made, if it also appeared that the plaintiff was negligent in not notifying the bank of the fraudulent acts of Mrs. Keith, or in not taking proper care of her bank book.

If the question whether the plaintiff was negligent in these matters were a material one in this case, it may well be doubted whether the jury would have been justified in finding, upon the facts, that the exercise of reasonabl

care by the plaintiff to prevent the bank from being imposed upon required her to give notice in April, 1902, of her daughter's fraudulent acts, or to keep her bank book more securely than she did before she learned that her daughter had wrongfully obtained possession of it and drawn money upon it. The plaintiff knew that, by the by-laws of the bank, "neither the principal nor interest of any deposit" would be paid to any person "unless the depositor's book" should be presented. Upon learning of her daughter's acts she at once put the book where her daughter could not get possession of it.

Can it be said that ordinary care required the plaintiff to anticipate that her daughter, without having possession of the deposit book, might continue to draw her money, by procuring, as she did, by fraud and forgery, a new book to be issued?

As to the plaintiff's alleged carelessness in leaving her bank book where Mrs. Keith could obtain possession of it, it appears that she kept it locked with other valuable papers in a bookcase drawer in the hallway on the second floor of her dwelling, with the key in her own sleeping room. Can depositors in Savings banks be reasonably required, under ordinary circumstances, to take greater precautions in keeping their bank books? And especially could the plaintiff be reasonably expected to take greater precautions to prevent her own daughter from obtaining possession of the book before she learned that she had wrongfully drawn money upon it?

But without deciding whether there was sufficient evidence to go to the jury upon the question of the plaintiff's negligence, had that been a material inquiry in this case, we hold that the bank would not have been exonerated from liability for payments negligently made by its officers to Mrs. Keith, even if the jury could have properly found from the evidence that the plaintiff was guilty of the claimed negligence. This is not an action based upon the negligence of the defendant, in which the plaintiff was required to prove that she exercised due care. It is an action to recover money deposited by the plaintiff with the defendant, and which the defendant contracted, as declared in the deposit book, to repay to the plaintiff, or to her order, or to her legal representative, upon presentation of the book. (Eaves vs. People's Savings Bank, supra.)

From its absolute undertaking to pay to the depositor or his order, article 15 relieves the bank in cases of payments made in good faith and in the exercise of ordinary care to persons presenting the book, even though such payments are made upon forged orders. As we have already shown, no greater protection than this was intended to be afforded the bank by the provisions of article 15. Even if the plaintiff was negligent, as claimed, that did not excuse the bank officers from exercising ordinary care to prevent one who they knew was not a depositor from obtaining money upon a forged order, nor relieve the bank from liability for payments negligently made to the wrong person. The question of contributory negligence is not involved in the case. If the bank officers failed to exercise ordinary care in making the payments to Mrs. Keith upon forged orders, the bank was liable to the plaintiff for the sums so paid. If the officers exercised such care, the bank was relieved from liability by the provisions of article 15 of its by-laws. (Geitelsohn vs. Citizens' Savings Bank [Sup.] 40 N. Y. Supp. 662; Brown vs. Merrimac River Savings Bank, 67 N. H. 549; Ladd vs Augusta Savings Bank, 96 Me. 510; Ladd vs. Androscoggin County Savings Bank, 96 Me. 520; People's Savings Bank vs. Cupps, 91 Pa. 315.)

If the alleged negligence of the plaintiff had been proved, it would not have estopped her from claiming that the orders were forged, if the defendant was also negligent in not ascertaining that fact. If the bank officers were thus negligent, the facts would fail to show any such equity in the defendant as would enable it to invoke the principle of equitable estoppel against the plaintiff. (Morgan vs. Farrel, 58 Conn. 413-427.)

The trial court rightly declined to instruct the jury as to the effect upon the question of defendant's negligence of the particular facts referred to in the fourth request. The question was one of reasonable care under all the circumstances, and these facts, with others, were properly left to the consideration of the jury in determining whether the defendant had exercised that degree of care.

The plaintiff claimed that it appeared from the evidence that the defendant was guilty of negligence in failing to make proper examinations and comparisons of the handwriting and signatures of the orders and the letter for the purpose of ascertaining whether they were genuine, in not having the signature of the plaintiff for reference and comparison, and in issuing a new bank book to Mrs. Keith without requiring proper proof of the destruction of the first one, or attempting to ascertain whether the signatures to the bond presented by Mrs. Keith were genuine. The question whether the bank officers were guilty of negligence in making these payments in the manner they did was one of fact, and was fairly submitted to the jury and decided against the defendant.

An examination of the evidence fails to convince us that the trial court erred in denying the defendant's motion for a new trial upon the ground that the verdict was against the evidence. There is no error.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B.A., LL.B., Barrister, Toronto.]

BANKS AND BANKING — CHECKS — FRAUD OF AGENT — FORGED ENDORSEMENT—FICTITIOUS PERSON—RIGHT OF COMPANY TO RECOVER AMOUNTS PAID—BILLS OF EXCHANGE ACT, SECTION 7, SUB-SEC. 3.

LONDON LIFE INSURANCE COMPANY *vs.* THE MOLSON'S BANK (7 ONT. LAW REPORTS P. 238.)

STATEMENT OF FACTS: This was an action by the insurance company to recover from the defendant bank the total amount of several checks charged to the plaintiff's account under the following circumstances: One Niblock was the superintendent of the plaintiffs' branch at Ottawa and as such had extensive powers from the company. Certain parties having discontinued payment of the premiums on their policies, Niblock, without advising the company, continued the payment of premiums for a year or two and then prepared and signed proofs of claim for the insurance. He also filled in and forwarded to the company bogus applications for insurance in five cases and subsequently forwarded to the company proofs of claim in these cases. In every case the company, following their usual course, sent to Niblock checks for the insurance money payable to the order of the claimants. These checks Niblock endorsed in the name of the claimants and five of these he subsequently endorsed with his own name; three others he endorsed as witness. The checks were paid by the bank, to whom does not appear from the evidence, but it seems to have been conceded that Niblock himself drew the money.

When the fraudulent course of their agent was discovered the insurance company brought this action to recover from the bank the amount of these ten checks, claiming that they were paid without authority and on endorsements which were forged.

In defense the bank contended (a) That under all the circumstances the checks were payable to fictitious or non-existent persons within the meaning of sub-sec. 3 of sec. 7 of the Bills of Exchange Act, and were therefore payable to bearer; (b) that if the checks were to be treated as payable to the order of real payees, the bank was justified under all the circumstances in paying them and charging them to the account of the plaintiffs.

The trial judge considered only the latter defense and held that in all his representations to the bank the Defendant Niblock acted within his authority as superintendent and agent of the company who were therefore bound by his acts and that they could not therefore recover.

From these judgments the insurance company appealed to the Court of Appeal for Ontario.

JUDGMENT (MACLENNAN, *J. A.*): The learned Chief Justice rested his judgment on the ground that the plaintiffs had themselves, through their

agent, Niblock, affirmed the genuineness of the indorsement of the respective payees and were therefore estopped from denying it.

I do not find any evidence that the bank, either at its office in London, or at Ottawa, knew that Niblock was the plaintiffs' agent, or had been intrusted by them with the delivery of the checks, or any of them, to the respective payees, or that he had, on behalf of the plaintiffs, any relation to the transaction out of which the checks arose. I am, therefore, not prepared to agree that the defendants are entitled to rely on Niblock's identification of the payees, or on his attestation of their respective signatures as if it were that of the plaintiffs themselves. So far as the defendants know he was merely a person applying for payment of the checks over the counter, and for that purpose attesting the genuineness of the indorsements.

That being so, I think the judgment can not be upheld upon the ground on which it is rested by the learned Chief Justice.

It was, however, contended before him as it has been before us, that under the circumstances the checks must be regarded as payable to fictitious or non-existent persons, and, therefore, payable to bearer, as provided by sec. 7, sub-sec. 3, of the Bills of Exchange Act, 1890, and I am of opinion that such is the proper conclusion, and that the judgment must be supported on that ground.

Sub-sec. 3 of sec. 7 of the Bills of Exchange Act reads: "Where the payee is a fictitious or non-existent person the bill may be treated as payable to the bearer."

I think this case can not be distinguished from the Governor and Company of the Bank of England vs. Vagliano Brothers, 1891 A. C. 107.

There the payees, Petridi & Co., were real existing persons, but under the circumstances, a majority of the Law Lords held them to be fictitious or non-existing persons, within the meaning of the corresponding English act, because they had not, and never were intended by the drawer to have, any right upon the bills or arising out of them. Here the plaintiffs issued their checks, requiring their bankers to pay them to certain named persons, but in truth there was no one in existence who could honestly or without fraud indorse them or claim to be the payees named in them respectively.

There is no doubt a difference between this case and the Vagliano case. In the present case there were persons in existence; namely, the persons whose names were used by Niblock in the real and fictitious insurances, and these respective persons are those whom the plaintiffs intended as payees. The plaintiffs supposed they were indebted to these real persons, and issued their checks in payment. The claims were pure fictions, but if Niblock had obtained the real indorsement of the payees, although in so indorsing the payees would have been assisting or conniving at Niblock's fraud, the indorsement would have been a complete protection to the bank, upon bona fide payment in ignorance of the fraud.

The present plaintiffs really intended their checks to be paid to the named payees, while Vucina had no intention to pay any one, his name having been forged. It was otherwise with Vagliano. He was the person who was to pay, and when he accepted his intention was to pay Petridi & Co., a firm at Constantinople, well known to him, and to whom he had in the previous year paid eleven similar bills. There can be no doubt that if the real indorsement of Petridi & Co. had been procured even fraudulently, that alone would have been a protection to the bank acting bona fide, without requiring to rely upon sec. 7 (3). I am unable to see that there was any difference between the relation of the payee to the bill, treating the check as bills, in the one case and the other, and I think the law applicable to the two cases must be the same. In the Vagliano case there was no real transaction between the plaintiff and Petridi & Co. It was a pure fiction. Here also the transactions, that is the claims for payment, were equally fictitious. The payees had no claims, were making no claims, and just as Petridi & Co. had, and were making no claims, and could not honestly indorse the Vucina bills, so neither could the payees of the plaintiffs' checks, though they were respectively real persons, and were the persons actually intended to be paid when the checks were drawn.

In short, the relation of the plaintiffs to the respective payees of their checks was exactly the same as that of Vagliano Bros. to Petridi & Co., the payees of their acceptance.

I therefore think the appeal should be dismissed.

MacLaren, *J. A.*: The bank has given no evidence of the circumstances connected with the payment by it of the checks in question. We are, consequently, left to what inferences may be drawn from the relations of the parties, and from the way in which the insurance company transacted its Ottawa business through Niblock. If the indorsement of the two large checks was forged by him, as was assumed by both parties at the trial, it seems strange that neither of them bears his signature, either as a witness or as an indorser, nor, indeed, any name, except those of the respective payees, which were proved to be forgeries.

By arranging with the company to honor its checks, payable to order, the bank undertook to pay these to the payees, or to their order. It was bound to do so, however, only upon being furnished with proper evidence of the identity of the payees, or of the genuineness of their indorsements, and of subsequent indorsees, if any.

By drawing the checks payable to order, the company would be estopped from denying the existence of the payees, and their then capacity to indorse. (Bills of Exchange Act [1890] sec. 54, b, 3.) The identification of the payees, or the genuineness of the indorsements, would be a matter between the bank and the holders of the checks, and the company would not need to intervene unless specially appealed to.

In my opinion, the fact of Niblock's agency, the facts proved and mentioned in the judgment of the trial judge, without more, are not sufficient to relieve the bank from the responsibility which it had voluntarily assumed.

The other point raised by the defense, namely, that these payees were really fictitious, and that the checks were consequently payable to bearer, under sec. 7, sub-sec. 3 of the Act, raises a question of perhaps even greater difficulty.

There has been a very great divergence of judicial opinion as to when a payee may properly be said to be fictitious. In a case in this court (Agricultural Savings and Loan Association vs. Federal Bank, 6 A. R. 192), the facts were in many respects similar to those of the present case.

A near relative of the owners of a farm made an application, in their names, to the plaintiff company for a loan, forged their signatures to a mortgage, got possession of the checks drawn upon the defendant bank, forged their names as indorsers, and got the money—all this without the knowledge of the owners of the land. This court held that the payees of these checks were not fictitious persons.

The whole question of fictitious payees, under sec. 6 sub-sec. 3 of the English Bills of Exchange Act, which is copied verbatim in the corresponding section of our act, was thoroughly discussed and authoritatively settled by the House of Lords in the celebrated case The Governor and Company of the Bank of England vs. Vagliano Brothers (1891) A. C. 107, which is almost equally distinguished for the number and magnitude of the forgeries, the skillful manner in which they were perpetrated, and the great diversity of judicial opinion. One Glyka, a confidential clerk of Vagliano, a London merchant, from time to time forged bills purporting to be drawn upon Vagliano by Vucina, a well-known correspondent, in favor of Petridi & Co., a Constantinople firm, in whose favor Vucina's genuine bills were usually drawn. He would also forge a letter of advice for each bill, get Vagliano's acceptance and steal the bill. The bank would be notified and he would forge Petridi's indorsement and get the bill cashed. In eight months he forged forty-three such bills for £71,500. The trial judge held that Petridi & Co. were not "fictitious or non-existing persons," a decision affirmed by a majority of the Court of Appeal. An appeal to the House of Lords was heard by seven Law Lords, of whom four were of opinion that the payees were not fictitious persons, while three were of a contrary opinion. The majority do not agree in all respects, on the grounds upon which they base their decision. Petridi & Co. were, of course,

a real and existing firm, and not in any sense fictitious or non-existing persons. But the whole transaction was held to be fictitious, and it was pointed out that Petridi & Co. could not indorse these bills, or take the position of payees without perpetrating a fraud. The persons, who it was intended by the maker should indorse the bills were not the real firm of Petridi & Co., but the clerk Glyka, passing himself off under that name.

The circumstances of that case differ in some respects from the present. But the two cases have more in common than appears at first sight. There the name of Vucina, the pretended drawer, was forged; here the company plaintiff is the real drawer. But Vagliano, having accepted the bills, was estopped from denying the genuineness of Vucina's signature. In neither case were there any genuine transactions on which the bills or checks could be based. Just as the real drawer of the Vagliano bills intended that the bills should be paid, not to the real firm of Petridi & Co. but to himself, under that name, so here the plaintiff company intended that their checks should be paid to the parties who had made claims upon them for insurance losses. While the claims were made in the names of ten different parties, yet, as a matter of fact, they were actually made by Niblock alone, masquerading under these various names. The ten different payees were really and for all business or practical purposes, fictitious, or non-existing, although there happened to be in or around Ottawa real persons who bore these names, although they had no connection with the pretended claims, or with the transactions out of which they were supposed to arise.

If this is the correct result, I do not know that it is to be regretted, as it appears to be equitable in this case that the loss should be borne by the company which issued checks in settlement of transactions which never really existed, and which gave Niblock the opportunity of committing these frauds, rather than by the bank.

It is not necessary in this case to consider the change made in the law by the act, which does not require that the fact of the payee being a fictitious or non-existing person should be to the knowledge of any of the parties.

On the whole I think that in view of the provisions of the act, as interpreted in the Vagliano case, we must come to the conclusion that the case of the Agricultural Savings and Loan Association, as to the fictitious payees, does not govern the present case, and that the appeal of the plaintiff company should be dismissed, but in my opinion our judgment should be put upon the ground that the respective payees of the checks in question were fictitious, or non-existing persons, and that consequently, by sec. 7, sub-sec. 3 of the act, they might be treated as payable to the bearer.

PROMISSORY NOTE—JOINT AND SEVERAL NOTE—RELEASE OF ONE JOINT AND SEVERAL MAKER—RESERVATION OF RIGHTS—SUBSEQUENT DEED—IMPLICATION.

BOGART VS. ROBERTSON (8 ONTARIO LAW REPORTS, PAGE 261).

STATEMENT OF FACTS: This action was brought by the payee and holder of a promissory note against three of the joint and several makers to recover the sum of $2000. The note was dated September 29, 1893, and was signed by five joint and several makers. On October 4, 1894, an agreement was entered into between Mrs. Bogart, the holder of the note, and Souch, one of the makers, whereby for valuable consideration Souch was absolutely released from all liability on the note. This document made no reference to any reservation of rights against the other four joint and several makers of the note.

On January 21, 1895, a further agreement was entered into between Mrs. Bogart and the four remaining joint makers together with other parties, one of the provisions of which agreement was: That the liabilities and indebtedness of these four persons to Mrs. Bogart should not be released or abandoned.

When Mrs. Bogart sought to recover on the note it was alleged in defence that the document of October 4, 1894, releasing Souch without any reservation of rights against the others, operated as a release of all parties to the

note. This view was upheld by the trial judge, from whose judgment an appeal was taken to the Divisional Court.

JUDGMENT (BOYD, *C.*; Meredith and Anglan, *JJ.*). BOYD, *C.*: The document under seal of October 4, 1894, in which the plaintiff and other holders of notes against J. E. Souch and others joined, is a clear and unqualified release of J. E. Souch, for valuable consideration, from all liability to them on the notes, and they thereby agree to indemnify and hold harmless the said Souch from any further payment to them under said notes. That document is self-contained and explicit, and imports a clear and distinct release of Souch from all liability, on the faith of which he procured valuable consideration to be transferred for the benefit of the holders of the notes to the Light and Power Company.

If recovery is had in this action, the effect of that would be to give the defendants rights of contribution against Souch, which was not contemplated by him when he changed his position and got a release from the note. There is no qualification of this, so far as Souch is concerned, then or afterwards, and his release is the release of all. (North vs. Wakefield, 13 Q. B. 536, 540.) It seems to me an insuperable difficulty upon this record, in that it seeks to destroy or reduce the effect of the release granted by the plaintiff to Souch—the legal result of which is that all the co-makers of the note were discharged from liability.

There is no instrument to change this result; for the agreement of January 21, 1895, creates no new liability; it only stipulates that the liabilities of the defendants to the plaintiff existing at the date thereof shall not be released or abandoned; but it is not proved that any such liability then existed—certainly not on this note, which had been released as a legal consequence of the instrument made three months before.

I can see no ground for disturbing the judgment of Street, J., and it should be affirmed with costs.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

Galveston, Tex., Dec. 27, 1904.

Editor Bankers' Magazine:

Sir: Please let us know, through your Magazine, if there is any decision, of legal record, in a case of similar nature to the following:

A Bank sends a check to B Bank for credit. It is received, and credited, subject to payment. B Bank later reported it lost in transit to C Bank, at objective point, and charges it back to A Bank. A Bank tries to get a duplicate from D Bank, from whom it was received, but without success.

The question seems to be, is not A Bank entitled to the return of the check from B Bank, or the proceeds? Suppose the check was lost or stolen from the D Bank, what would be the result? Assistant Cashier.

Answer.—We do not know of any decision directly in point, but the principles are well settled that where it receives and credits a check, subject to payment, the bank becomes the holder, with the right to charge the amount back to the depositor in the event that, upon due presentment, the check is dishonored. But in order that it may thus surcharge the depositor, it must show that the check has been duly presented and dishonored. Proof that it has been lost is not sufficient; for this is no part of the condition. We think, therefore, that in the case stated in the inquiry, Bank B has no right to charge the amount of the check to Bank A. The rule would be the same if the check had been lost in some other way than through the mails, or had been stolen. The remedy of Bank B would be to make presentment and demand upon a copy of the check. (Daniel on Negotiable Instruments, §§ 1464-1465.)

REPORT OF THE COMPTROLLER OF THE CURRENCY.

TREASURY DEPARTMENT,
OFFICE OF THE COMPTROLLER OF THE CURRENCY,
WASHINGTON, December 5, 1904.

SIR: In compliance with the requirements of section 333 of the Revised Statutes of the United States, the forty-second annual report of the operations of the Currency Bureau for the year ended October 31, 1904, is herewith submitted.

An examination of the periodical statements shows that the number of reporting banks has increased from 5,042 on September 9, 1903, to 5,412 on September 6, 1904, and that there has been a gradual increase during the year in the aggregate resources of these associations from $6,310,429,966 on September 9, 1903, to $6,975,086,504, the increase being $664,656,537. With the exception of the United States and other bonds on deposit in the Treasury Department to secure public deposits, and the holdings of silver and of legal tenders, there has been an increase in every item of resources, the principal increase being in loans and discounts, amounting to $244,704,647, or from $3,481,446,772 to $3,726,151,419. The increase in bonds on deposit to secure circulation was $36,839,860; other United States and miscellaneous bonds, etc., $42,295,209; and in holdings of specie, including coin certificates, $107,192,767. The banks' holdings of specie and legal-tender notes on September 9, 1903, were $554,306,026, and on September 6, 1904, they were $661,456,529.

The paid-in capital stock has gradually increased since September, 1903, from $753,722,658 to $770,777,854, or an increase of $17,055,196. The surplus and undivided profits aggregate $583,137,047, an increase of $26,765,598 during the past year. The deposits of the banks—individual, Government, and bank—amounting to nearly 75 per cent. of the total liabilities, aggregated $5,130,235,940, a net increase during the year of $597,804,693.

From an examination of the classification of loans and discounts of national banks, held on September 6, 1904, it will be noted that nearly 22 per cent. of the total volume of loans is held by the banks located in the city of New York; over 29 per cent. by the banks located in New York, Chicago, and St. Louis; about 54 per cent. by the banks located in the central and other reserve cities, leaving 46 per cent. as the proportion of the loans in banks located elsewhere than in the reserve cities. In September, 1903, approximately 18 per cent. of the loans was in New York banks, 26 per cent. in New York, Chicago, and St. Louis banks, nearly 52 per cent. in all reserve city banks, and 48 per cent. in banks located elsewhere than in reserve cities.

The character and amount of each class of the banks' loans in September, 1904, were as follows: Demand paper, with one or more individual or firm names, $279,779,356; time, single-name paper, $611,024,135; demand paper, secured by bonds, stocks, etc., $818,937,913; time-paper, secured by bonds, stocks, etc., $699,702,946; time paper, two or more individual or firm names, $1,316,707,069.

In September, 1904, the proportion of loans and discounts was 53.4 per cent. of the total assets, and this is the lowest proportion, with the exception of the years 1900 and 1901, since 1890, when it was 74.3 per cent. An examination of the records shows that generally there was a gradual decrease in the percentage of loans to the aggregate resources from 1890 to 1896, the rate on the latter date being 67.1. In the fall of the year following the proportion had dropped to 55.3 per cent. and to 54.2 in 1898, since which date that ratio, with slight fluctuations, has existed. In this connection the relation of capital and individual deposits to the banks' liabilities is interesting. Practically one-half of the banks' resources are represented by the individual deposits, and that proportion has been almost constant since 1880. The proportion of resources to capital, however, nearly doubled be-

tween 1880 and 1904. From 1880 to 1893 the resources averaged about four and one-half times the amount of capital; from 1894 to 1896, five times the capital, and gradually increased to eight and three-fourths times in 1902. The resources were approximately eight and one-half times the volume of capital stock in 1903 and 1904.

EARNINGS, DIVIDENDS, AND TAXES.

Prior to 1869 National banks were not required by law to report to the Comptroller of the Currency the amount of their earnings and dividends, although section 5199 of the Revised Statutes authorized the declaration of semi-annual dividends, contingent upon carrying to the surplus fund prior thereto, one-tenth of the net earnings of the preceding half year until the fund amounted to 20 per cent. of the capital. This provision is construed as requiring a permanent retention of the requisite surplus fund, except where losses have been sustained exceeding the net undivided profits, when it becomes necessary to encroach upon the surplus.

Reports of earnings and dividends for the year ended March 1, 1870, were received from 1,526 National banks, with capital of $409,008,896, on which dividends were paid to the amount of $43,246,926, or at the rate of 10.5 per cent. The average capital of banks in that year was $268,000. Dividends at the average rate of approximately 10 per cent. were paid from 1870 to 1875, inclusive. In 1879 the rate had dropped to 7.6 per cent. From 1881 to 1884 the rate was slightly in excess of 8 per cent. and for the next five years continued at an average rate of 7.9 per cent. Eight per cent. was slightly exceeded in 1890, and from that date declined to 6.7 in 1897, the lowest average rate ever paid by National banking associations. In 1901 the average rate was 8.1; in 1902, 9.8; in 1903, 8.7; and in 1904, 9.9. During the thirty-five years ended March 1, 1904, the average capital of National banks reporting their earnings and dividends was $559,682,606; surplus, $184,997,045; net earnings, $59,843,939, and dividends declared, $46,539,567. The average rate of dividends to capital was 8.32 and of dividends to capital and surplus, 6.25. During the thirty-five years from the net earnings aggregating $2,094,-537,873, dividends were paid to the amount of $1,628,884,831.

SHARES AND SHAREHOLDERS OF NATIONAL BANKS.

In the call for lists of shareholders of National banking associations as of the first Monday of July, 1904, a request was incorporated for the submission of information as to the number of holdings of women shareholders. The reported capital on the date in question was $770,594,535, divided into 8,834,404 shares held by 318,735 shareholders, the average par value of shares being $8723. This average par value is due to the large number of banks located in New England and Eastern States, which were converted into National banking associations and with stock divided into shares of less than $100 each. The returns also show that 1,858,448 shares were held by 104,534 women; in other words, that while nearly one-third of the stockholders were women, their holdings amounted to approximately one-fifth of the entire stock of National banking associations. It is also shown that the average number of shares per shareholder was 27.72 and the average value of holding $2,418. The average number of shares standing in the name of women was 17.78 and the average value of their holdings, $1,551. In the New England and Eastern States 43 per cent. of the shareholders of National banks are women, and they hold, respectively 24 and 22 per cent. of the stock. In the Southern and also in the Middle Western States 26 per cent. of the shareholders are women, and their holdings, approximately, 20 per cent. of the stock. In the Western States the percentages drop to 19 and 10, respectively. In the Pacific States and Territories nearly 19 per cent. of the stock is owned by women, representing 23 per cent. of the number of shareholders.

Investigations relative to the number of shareholders and the average individual holdings have been made at various dates from 1876. In that year the number of shares of National bank stock was 6,505,930, the average number of shares held 31.25, and the average value of each holding $2,427. In 1886 there were 7,116,894 shares, the average number of shares held 31.83,

the average value of holdings $2,438. In 1894 shares numbered 7,955,076 average number of shares 27.64, and the average value of holdings $2,337. In 1902 the number of shares had increased to 8,001,433, the average number of shares held being 24.24, the average value of holdings $2,072. The number of shares in 1903 was 8,617,517, the average number of shares held 27.36, with an average value of $2,397. In July, 1904, the number of shares was 8,834,404, average number of shares held 27.72, and the average value of each shareholder's stock $2,418.

Organization of National Banks.

Under authority of the original National Bank Act, approved February 25, 1863, the re-enacted law of June 3, 1864, the act of February 14, 1880, authorizing the organization of National gold banks, and the final act of March 14, 1900, empowering the formation of associations with minimum capital of $25,000, there have been chartered 7,460 National banking associations, of which 1,165, or nearly 16 per cent., were conversions of State banks. Over two-thirds of the conversions were of banks organized in the New England and Eastern States, and of the total number of organizations in those two geographical divisions one-third were conversions of State banks. Prior to March 14, 1900, there is no record of the number of banks organized to succeed State or private banks, but since that date and to October 31, 1904, it is shown that nearly one-third of the banks chartered in this period were of this class. In view of the fact that the organization of banks other than National has more than kept pace with the organization of National banks, it may be safely concluded that the relative number of State banks converted and National banks organized to succeed State banks, prior to 1900, was approximately the same as since that date. The proportion of conversions and reorganizations to total number of banks organized since March 14, 1900, is shown to be 44 per cent.

Records compiled at the close of the report, year ended October 31, 1904, show that since March 14, 1900—a period of little over four and one-half years—charters have been granted to 2,196 National banking associations, with authorized capital of $125,512,300. The amount of bonds deposited by these banks prior to being authorized to begin business, was $31,331,250, approximately one-fourth the amount which might have been deposited with the Treasurer of the United States in trust and circulating notes issued to the par value thereon. Included in the total number of banks organized are 1,437, with capital of $37,459,500, which were chartered under the authority of the act of March 14, 1900—that is, with capital less than $50,000, the average being but slightly in excess of the minimum, namely $25,000. During this same period banks with capital stock of $50,000 or over were chartered to the number of 759, with capital of $88,052,800. Further classifying the organizations, it is shown that 250 of the banks, with capital of $16,629,800, were conversions of State banks; 716, with capital of $43,756,000, reorganizations of State or private banks, and 1,230, with capital of $65,126,500, primary organizations.

In the period beginning March 14, 1900, and terminating on December 31 of that year, the number of banks organized was 398. During the calendar year 1901 the number was 412; 1902, 492; 1903, 515, and 1904 to October 31, inclusive, 379. The monthly average of number of banks organized during these five periods was as follows: 1900, 42, 1901, 34; 1902, 41; 1903, 43; 1904, 38. The average National bank capital on March 14, 1900, was $170,400, but as a result of the large number of banks organized with capital of $25,000, the average on October 31, 1904, was reduced to $142,150.

On March 14, 1900, the number of National banks in existence was 3,617, with authorized capital of $616,308,095; bonds on deposit to secure circulation, $244,611,570; circulation secured by bonds, $216,374,795; and total National bank circulation outstanding, secured by bonds and by lawful money, the latter deposited with the Treasurer of the United States by liquidating banks, associations reducing their circulation, and on account of insolvent National banks, $254,402,730. On October 31, 1904, the number of active banks was 5,495, with authorized capital of $781,126,335; bonds on deposit to secure circulation, $426,544,790; circulation secured by bonds, $424,530,581, and total circulation outstanding, secured by bonds and lawful

money, $457,281,500. From the foregoing it appears that during the period in question there has been a net increase in number of banks of 1,878; capital, $164,818,240; bonds on deposit to secure circulation, $181,933,220; circulation secured by bonds, $208,155,786, and total circulation outstanding, $202,878,770.

The number of National banks organized in each State, the number placed in liquidation, in charge of receivers, and in active operation at the close of the year ended October 31, 1904, are shown in the following table:

States and Territories.	Organized.	In liquidation.	Insolvent.	In operation.
Maine	104	21	......	83
New Hampshire	67	7	4	56
Vermont	71	16	7	48
Massachusetts	300	70	10	220
Rhode Island	65	37	......	28
Connecticut	103	19	4	80
Total, New England States	710	170	25	515
New York	555	144	42	369
New Jersey	159	16	7	136
Pennsylvania	762	89	25	648
Delaware	24	......	......	24
Maryland	97	8	1	88
District of Columbia	21	5	3	13
Total, Eastern States	1,618	262	78	1,278
Virginia	102	16	6	80
West Virginia	87	11	......	76
North Carolina	57	8	4	45
South Carolina	31	7	1	23
Georgia	76	14	6	56
Florida	40	4	8	28
Alabama	74	11	6	57
Mississippi	30	4	2	24
Louisiana	46	6	5	35
Texas	524	77	26	421
Arkansas	31	4	4	23
Kentucky	156	35	4	117
Tennessee	97	27	7	63
Total, Southern States	1,351	224	79	1,048
Ohio	488	134	16	338
Indiana	265	72	13	180
Illinois	437	90	17	330
Michigan	185	83	14	88
Wisconsin	165	47	3	115
Minnesota	265	37	7	221
Iowa	360	74	13	273
Missouri	162	58	10	94
Total, Middle States	2,327	595	93	1,639
North Dakota	105	8	12	85
South Dakota	94	19	9	66
Nebraska	226	54	20	152
Kansas	287	89	34	164
Montana	52	14	10	28
Wyoming	24	3	2	19
Colorado	94	23	9	62
New Mexico	31	6	4	21
Oklahoma	106	6	4	96
Indian Territory	116	3	1	112
Total, Western States	1,135	225	105	805
Washington	88	31	22	35
Oregon	57	12	6	39
California	97	13	6	78
Idaho	32	6	1	25
Utah	22	6	1	15
Nevada	4	1	1	2
Arizona	15	3	......	12
Alaska	1	......	......	1
Total, Pacific States	316	72	37	207
Hawaii	2	......	......	2
Porto Rico	1	......	......	1
Total, island possessions	3	......	......	3
Total of United States	7,460	1,548	417	5,495

Every bank chartered in the State of Delaware is still in active operation; and the only States, etc., in which no failures of National banks have occurred are Maine, Rhode Island, Delaware, Arizona, Alaska, Hawaii, and Porto Rico. One bank in West Virginia, temporarily in charge of a Receiver, was subsequently permitted to re-open and resume business. This practically adds West Virginia to the list of States in which no failures occurred.

VOLUNTARY LIQUIDATIONS, EXPIRATION, AND EXTENSION OF CHARTERS.

During the existence of the National banking system 1,548 National banks, including 21 banks subsequently placed in charge of a Receiver, or 20.7 per cent. of the total number organized, have been placed in liquidation either by vote of stockholders or by expiration of charters, the capital involved being $280,549,550. The voluntary liquidations numbered 1,398, the capital involved $257,136,550, and the number of expirations 150, with capital of $23,413,000. In the year ended October 31, 1904, 66 associations, with capital of $20,285,000, including four banks with $510,000 capital, whose charters expired, were closed voluntarily. Three of the banks closed by expiration of charters were reorganized under different titles. Thirty-two of the associations closed by voluntary liquidation, with capital of $12,700,-

000, were absorbed by, or consolidated with, other National banks; nine, with capital of $4,480,000, were absorbed by trust companies, and three with capital of $300,000, reorganized as trust companies; three, with capital of $250,000, are reported to have been succeeded by State or private banks, and seventeen, with capital of $2,395,000, were closed to discontinue business.

Many associations, on reaching the end of their corporate existence, find that a large proportion of the stock is held by non-residents, estates, etc., the owners of which add nothing to the banks' business, their sole concern being in the dividends declared. Where this condition exists to an extent materially affecting a bank's interests, it is found necessary to adopt measures to place the stock with those who will be desirable shareholders. Generally, it is found possible to induce such shareholders to sell their stock to local resident shareholders, or through them, to other resident business men. In case the purchase of such stock can not be effected, it is occasionally found advisable to permit the corporate existence of the bank to expire by limitation and organize a new association by the stockholders of the old bank and other local citizens engaged in active business. The course first referred to is the more desirable, as thereby the charter may be extended and the bank continue its well-earned prestige of the prior twenty or forty years, as the case may be. As the proviso to section 5 of the act of July 12, 1882, relating to the organization of a bank to succeed another association whose corporate existence has expired, confers upon the stockholders in the old bank the right to participate, according to their original holdings, in the stock of the new bank, it becomes necessary, if this right is not to be conserved, to organize under a name materially different from that of the original association; for otherwise the new management would have the advantage of the good will of the old association without rendering an equivalent to the old stockholders who are not to be permitted to become subscribers to the stock of the new bank.

Where the corporate existence of a National bank is permitted to expire by limitation, the method of settling its affairs is the same as though the bank had been placed in voluntary liquidation by vote of shareholders in advance of the termination of its corporate existence. The liabilities of an association become due and payable on the date of expiration of charter. When all liabilities are paid, or provided for to the satisfaction of claimants, the remaining assets representing the stockholders' interests should be promptly converted into cash and distributed pro rata to stockholders. The law makes no provision for the report to the Comptroller of the Currency of the settlement of the affairs of an association closed by voluntary liquidation, or expiration of charter, and it is clear that the agency by means of which the business should be wound up is one to be created by vote of stockholders, or, in default of such action, by the directors. The election of a liquidating agent by stockholders relieves the directors of responsibility, which they would otherwise have, for the settlement of the trust. In case of the closing of a bank for the purpose of absorption by, or consolidation with, another bank, the liquidating agent or directors appear to have authority to enter into a contract with the continuing bank for the assumption of liabilities to depositors and other general creditors, offsetting an equivalent amount of assets transferred, and to purchase the remaining assets, which can be lawfully acquired by a National bank, representing stockholders' interests. If there is to be no increase in the capital stock of the absorbing bank, for the purpose of selling the additional stock to those interested in the old association, it necessarily follows that the stockholders of the closed bank are to be paid the actual value of the assets representing their stockholdings.

The act of 1882, providing for the extension of charters, conserves the interest of shareholders not desiring to continue their connection with the bank, but desiring to withdraw and to be paid the surrender value of their stock. The act provides that notice of intention to withdraw shall be given to the directors within thirty days from the date of issue of certificate authorizing extension of the charter, and that a committee of appraisal shall be appointed—one member by the withdrawing shareholder, one by the bank and a third by the first two. The bank and the dissenting shareholder may select as members of the committee expert accountants or any other persons

competent to perform the duties of appraisers. In case the value fixed is unsatisfactory to the shareholder, he may appeal to the Comptroller of the Currency, whose appraisal shall be final and binding. The right of appeal is not given to the bank. In case the valuation fixed by the Comptroller exceeds the amount fixed by the committee, the expense of reappraisal must be borne by the bank; otherwise by the shareholder appealing. The law makes no provision for payment of expenses incident to the first appraisal; hence it is incumbent upon the withdrawing shareholder and the bank to determine this question. The shares appraised and surrendered must, after due notice, be sold at public sale within thirty days after the final appraisal.

Generally speaking, the market price of stock represents the surrender value, although, in some instances, the market price may be above or below the actual value of the stock. The proper course to pursue is to have a very careful examination made of the assets, taking into consideration the actual value of items above or below the book value, deducting items admittedly worthless. The question of "good will" is not to be considered, although it may be of material value to a bank continuing business.

The act relating to extension provides that shareholders representing at least two-thirds of the stock shall consent in writing to an amendment of the articles of association, extending for a further period of twenty years the corporate existence of the association. The procuring of the necessary signatures may be taken up at any time within two years prior to the expiration of a bank's charter, and when the requisite signatures have been obtained the amendment should be filed with the Comptroller of the Currency. A shareholder's consent must be given by him in writing, or by his duly empowered attorney. The provision of law relating to voting of stock by proxy at meetings of stockholders of National banks does not apply in the case of extension of charter, as no vote is involved; hence, if desired, a shareholder may legally empower a director or other officer of a National bank to act for him in consenting to the extension of charter.

It is expected that the amendment relating to the extension of the corporate existence of a bank, accompanied by request for its approval, will be filed with the Comptroller of the Currency not later than two months prior to the expiration of the existing charter, in order that there may be sufficient time for the making of the special examination required by law to ascertain the condition of the bank's assets and to enable the association to comply with possible conditions precedent to renewal of charter. Where an examination has been made within a reasonable time prior to expiration of charter, in passing upon the question of extension the Comptroller may be governed by the condition of the bank as shown by such an examination, thus obviating the necessity of an additional special investigation of the bank's condition. When a bank's affairs are found to be in a satisfactory condition, or action has been taken in connection with the sale or disposition of undesirable assets, or those acquired in violation of the provisions of law, advice is given of the fact that certificate of extension will be issued simultaneously with the expiration of the pre-existing charter. By the extension of the corporate existence of a National banking association the original charter number and title are continued, and the association enjoys all the rights, privileges, and immunities granted, and is subject to all the duties, liabilities, and restrictions imposed by law relating to National banking asociations.

The act of 1882, however, provides that a bank, whose charter has been extended, can not subsequently receive and issue circulating notes of the original series; hence if the note-issuing franchise is to be enjoyed, notes of a new design must be ordered. The order for the new plates and circulation should accompany the amendment providing for extension of charter, in order that the new notes may be ready for delivery as soon as required. As the old notes are received for redemption they are destroyed and charged to the 5 per cent. redemption fund and an equivalent amount of notes of the new design shipped to the bank. This process continues until three years from date of extension of charter when a deposit of lawful money is required to provide for the redemption of the balance of the notes then outstanding. An order for 50 per cent. of the total amount of notes to which

a bank is entitled on its bond deposit is sufficient to provide for current redemption and reissues. If desired, lawful money may be deposited for all of the outstanding notes of the old design, which will enable the depositing bank to receive immediately the full amount of notes of the new series.

Insolvent National Banks.

During the past year twenty-six National banks, including one theretofore in voluntary liquidation, were placed in the charge of Receivers. Six of the associations, however, have been restored to solvency and permitted to resume business, the Receivers being discharged. Eight of the failures were due to fraudulent management or to dishonesty of the Cashiers.

Within the past twelve months the affairs of fifteen National banks theretofore placed in the charge of Receivers, were fully settled by the payment of final dividends to creditors, leaving seventy-three pending trusts.

Of the total number of insolvent National banks placed in charge of Receivers, the affairs of 345 have been fully settled and the receivership terminated. The capital of these banks, at date of failure, was $53,655,920, and total assets, nominal value, taken charge of by the Receivers, $194,234,790. The collection from assets and the amount settled by offsets, etc., were $90,341,899 and $14,853,083, respectively. The losses on assets compounded or sold under order of court aggregated $78,531,580. On the final settlement of the affairs of these trusts assets of the nominal value of $10,562,359 were returned to stockholders, including $1,802,397 in cash. Assessments were levied on stockholders to make good deficiency in the assets of these trusts to the amount of $31,967,520, from which was realized $15,052,961. Dividends were paid to the amount of $74,364,841, or 70.78 per cent. on claims proved, amounting to $105,067,058. In order to ascertain the full amount realized by creditors, it is necessary to add the dividends paid to the amount of offsets allowed and loans paid. The records therefore show that creditors realized on their claims a total of 78.11 per cent.

The cost of liquidation of an insolvent National bank—that is, the Receiver's salary, legal and other expenses—based upon the total amount collected from assets and from assessment on shareholders, is shown to have been on an average, 8.43 per cent.

In addition to detailed information relating to the affairs of each insolvent National bank, a statistical summarization, by States and geographical divisions, of data relating to trusts, the affairs of which have been finally closed, shows that creditors of the nineteen National banks which failed in the New England States received 93.26 per cent. on their claims. The sixty-three insolvent banks which failed in the Eastern States paid 75.93 per cent.; the sixty-three in the Southern States, 68.15 per cent.; seventy-six banks in the Middle States, 84.10 per cent.; eighty-nine in the Western States, 69.17 per cent., and thirty-five in the Pacific States and Territories, 70.05 per cent.

Classifying the trusts according to capital stock, it appears that banks with capital of $100,000 or less paid dividends on claims proved at the average rate of 64 per cent., and that the assessment on stockholders produced 38 per cent. The banks with capital of $100,000 and less than $200,000 paid 67 per cent. in dividends and stockholders paid in on assessments 41 per cent. Banks with capital of $200,000 and over paid dividends to creditors at the average rate of 72 per cent., while the assessment on stockholders realized 51 per cent, which would appear to indicate that the larger the capital the greater the percentage realized from assets and also from assessment on stockholders.

In addition to statistics relating to trusts which have been finally closed, compiled by States and geographical divisions, a summary has been made, by years of failure, showing the aggregate amount of dividends paid to creditors, etc., of such banks as failed each year from 1865 to 1904.

The results obtained would indicate that creditors during the past half decade realized a higher rate of dividends on their claims than in any like period since the first failure in 1865, but this can not be stated as a fact until the affairs of all banks which failed during this period have been settled.

National Bank Circulation.

Under Department regulations only three classes of plates are engraved, namely, for four $5 notes; three $10 and one $20; one $50 and one $100. As a result of the limitation of $5 notes to one-third of a bank's issues, incorporated in the act of March 14, 1900, the percentage of notes of that denomination outstanding has been reduced from 31.2 in 1900 to 13.6 in 1904. This limitation works considerable hardship on banks with the minimum capital, for the reason that they are prevented from ordering the most desirable denomination of notes for their localities, as but one-third of their issues can consist of the minimum denomination. In consequence, with the order for $5s they must necessarily order a plate for either $10s and $20s or the $50s and $100s. By reference to the official records, it appears that at no time during the existence of the system has the percentage of notes of the denomination of $5 exceeded the limitation fixed by the act of March 14, 1900. Over 74 per cent. of the total issues are now of the denominations of $10s and $20s, the amount of the former being $193,777,650, and the latter $145,751,440. The $5 notes amount to $62,108,195; $50 notes, $17,712,900; and $100s, $37,190,300. There are still outstanding about $500,000 of notes of the denomination of $1 and $2, and $117,500 of the denomination of $500 and $1,000.

By reference to statistics compiled in the office of the Secretary of the Treasury, relating to the stock of money in the United States, at the close of the fiscal year ended June 30, 1864, to 1904, and also to office statistics with respect to the amount of National bank notes outstanding on the same dates, it appears that the proportion of bank notes to the whole stock of money decreased from a maximum of 43.27 per cent. in 1874 to a minimum of 9.86 per cent. in 1892. From the latter date to 1900, when the percentage was 13.233, the fluctuation from year to year was only about 1 per cent. In 1901 the proportion of National bank notes was 14.25, but dropped in 1902 to 13.91, rose to 15.91 in 1903, and stood at 16.2 in 1904, the highest proportion since 1887.

On September 9, 1903, the percentage of circulation to capital stock was 49.8; to the banks' assets, 5.9, and on June 30 of that year, 13.4, to the money in the United States. On September 6, 1904, the percentage of circulation to capital had increased to 53.4, the percentage of assets standing unchanged at 5.9, and the percentage of stock of money of the country, based on the June returns, 14.2.

Circulating notes to the amount of $274,777,278 were delivered to the National Bank Redemption Agency for redemption during the year, of which $99,047,325 being in good condition were returned to the banks of issue, $143,799,170 were redeemed and destroyed, new notes being issued therefor and $31,930,783 notes of reducing, insolvent and liquidating banks were redeemed and destroyed, necessarily without reissue.

Profit on National Bank Circulation.

In calculating the profit on the issue of circulating notes by National banking associations the question considered is: What would be the net receipts in excess of interest obtained from an investment of the amount of the cost price of bonds in loans or otherwise? The average net monthly price of United States 2 per cent. consols of 1903, during the year ended October 31, 1904, fluctuated from a maximum of 106.583 in November, 1903, to a minimum of 104.7 in August, 1904. Bonds to the amount of $100,000 cost, therefore, $106,583, at the highest price prevailing. This amount loaned at 6 per cent. would produce $6,394.98. Assuming that the circulation is loaned at 6 per cent., a bank's receipts would then be $6,000 interest on circulation and $2,000 on the bonds deposited with the Treasurer of the United States. From the gross receipts of $8,000 there must be deducted taxes on circulation $500, expenses incident to the preparation of plates for the printing of notes, the redemption of circulation, etc., of $62.50, and a sinking fund of $103.99 set aside to meet the premium on the bonds, leaving net receipts of $7,333.51, or an excess of $938.53, over the interest on the cost price of bonds, or a net profit of 0.881 per cent. With bonds

at the minimum price during the year, 104.7, the profit on circulation rises to 1.028 per cent. This unquestionably exceeds the actual rate of profit, as in the calculation it is assumed that the entire circulation is loaned at 6 per cent., whereas, on an average 1 to 2 per cent. of a bank's circulation, as shown by the periodical reports made to the Comptroller of the Currency, appears as "on hand."

Banks Without Circulation.

Notwithstanding the liberalizing of the circulating franchise of National banking associations, there are a number of banks in the system which do not and never have availed themselves of the privilege of taking out and issuing circulating notes. At the close of the year ended October 31 there were ten banks in this class, with aggregate capital of $3,185,000. These banks have on deposit with the Treasurer of the United States bonds to the amount of $246,500, on which they would be entitled to circulation to that amount.

Stock of Money of the World.

Statistics relating to the aggregate stock of money in the principal countries of the world at the close of the calendar year 1903 have been received and compiled by the Bureau of the Mint, from which it appears that the aggregate is $12,313,100,000, the amount of gold being $5,628,200,000, of which $2,892,600,000 is held in banks and public treasuries, $2,526,000,000 being in general circulation. The stock of silver aggregates $3,201,400,000, of which $2,268,700,000 is "full tender" and the remaining $932,700,000 limited tender. Uncovered paper currency is stated as amounting to $3,483,500,000. Of the total stock of money in the world $2,500,200,000, or approximately one-fifth, is held in this country. The stock of gold of the United States, $1,320,400,000, is greater than that of any other country and is nearly one-fourth of the world's stock. The amount of silver is $679,200,000. The per capita circulation of the United States is $30.70 and is greater than that of any of the principal countries of the world except France, wherein it is $40.09. The circulation per capita of the various kinds of money in the United States is as follows: gold, $16.26; silver, $8.36, and paper, $6.08.

In the following table is shown the amount of coin and other currency in the United States at the close of the fiscal year ended June 30, 1892, to 1904, inclusive; coin, etc., in Treasury as assets, amount in circulation, the latter divided to show the amount in banks and elsewhere, with the percentage for each year in the Treasury, in banks, and in circulation; the per capita in circulation, exclusive of the amount held in the Treasury, and the amount in circulation, exclusive of the amount in Treasury and in the banks:

Year	Coin and other money in the United States.	Coin, etc., in Treasury as assets.		Money in reporting banks.		Money not in Treasury or banks.			In circulation, exclusive of coin, etc., in Treasury as assets.	
		Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Per capita.	Amount.	Per capita.
	Millions.	*Millions.*		*Millions.*		*Millions.*			*Millions.*	
1892......	$1,752.2	$150.9	8.60	$586.4	33.48	$1,014.9	57.92	$15.50	$1,601.3	$24.44
1893......	1,738.8	142.1	8.17	515.9	29.68	1,080.8	62.15	16.14	1,596.7	23.85
1894......	1,805.0	144.2	7.99	688.9	38.17	971.9	53.84	14.21	1,660.8	24.28
1895......	1,819.3	217.4	11.95	631.1	34.69	970.8	53.36	13.89	1,601.9	22.93
1896......	1,799.9	293.5	16.31	531.8	29.55	974.6	54.14	13.65	1,506.4	21.10
1897......	1,905.9	265.7	13.95	628.2	32.96	1,012.0	53.09	13.87	1,640.2	22.49
1898......	2,073.5	235.7	11.37	687.7	33.17	1,150.1	55.46	15.43	1,837.8	24.66
1899......	2,190.0	286.0	13.06	723.2	33.02	1,180.8	53.92	15.51	1,904.0	25.01
1900......	2,339.7	284.6	12.16	749.9	32.05	1,305.2	55.79	17.11	2,055.1	26.94
1901......	2,483.1	307.8	12.39	[a] 794.9	32.02	1,380.4	55.59	17.75	2,175.3	27.98
1902......	2,563.2	313.9	12.24	[b] 837.9	32.69	1,411.4	55.07	17.90	2,249.3	28.53
1903......	2,684.7	317.0	11.80	[c] 848.0	31.59	1,519.7	56.61	18.88	2,367.7	29.42
1904 [e]....	2,803.5	284.3	10.14	[d] 982.9	35.06	1,536.3	54.80	18.77	2,519.2	30.77

[a] $12,567,265, [b] $10,125,909, [c] $9,240.801, and [d] $7,620,304 in banks of island possessions not included in these returns.

[e] Population, estimated, 81,867,000.

Including coin and other currency held by reporting banks in the island possessions in June, 1904, a total is shown of $990,575,820, an increase over the amount in banks on the corresponding date in 1903 of $133,316,167, and of this increase $107,551,682 is in the holdings of National banks and $25,-764,485 in State and private banks.

In the following statement is shown the amount and percentage of money in the banks of the country, by geographical divisions, for the years indicated:

Division	1896.		1902.		1903.		1904.	
	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.
	Millions.		*Millions.*		*Millions.*		*Millions.*	
New England States.	$51.3	9.65	$66.6	7.95	$62.2	7.34	$59.2	6.02
Eastern States	262.2	49.30	390.6	46.61	390.2	46.01	497.8	50.60
Southern States......	36.9	6.94	57.4	6.85	59.8	7.05	68.9	7.01
Middle States........	134.1	25.21	240.1	28.66	243.0	28.66	261.9	26.65
Western States.......	21.0	3.95	34.5	4.12	39.6	4.68	42.4	4.31
Pacific States	26.3	4.95	48.7	5.81	53.2	6.26	53.2	5.41
Total...........	531.8	100.00	837.9	100.00	848.0	100.00	982.9	100.00

As will be seen, over one-half of the currency in banks of the country is held by those located in the Eastern States and aggregates $497,320,102, an increase over the amount held on the corresponding date in 1903 of $107,-090,962, and which is over 80 per cent. of the increase in the holdings of cash of all banks of the country. The banks in the Middle Western States increased their currency holdings during the year to the extent of $18,889,187; banks in the Southern States to the extent of $9,110,967, and in the Western States, $2,852,643. There is shown to be an apparent decrease in the cash holdings of the banks of the New England States of $3,020,180, but this is mainly accounted for from the fact that in the 1903 returns, in one State, the amounts due from banks were included in cash in banks. There was no material change in the amount of cash held by banks located in the Pacific States and Territories. A net reduction of $1,620,501 is shown in the amount of currency held by banks located in the island possessions. Of the increase in cash holdings of the banks, amounting, as heretofore stated, to $133,316,167, approximately $115,500,000 is in the holdings of banks located in four of the States, as follows: New York, $97,496,127; Illinois, $6,338,127; Ohio, $4,843,518; Missouri, $6,791,472.

Banking Power of the World.

The banking power of the United States, made up of the capital, surplus profits, deposits, and circulation of banks of the United States and island possessions, aggregates $13,826,000,000. These figures include funds of National banks, amounting to $5,171,000,000; reporting State banks and bankers, $8,092,000,000, and non-reporting banks, estimated, $563,000,000.

From the latest and most reliable data the banking power of foreign countries has been estimated at $19,781,000,000, thus making the aggregate banking power of the world approximately $33,608,000,000.

The world's banking power in 1890, as estimated by Mulhall, was $15,985,000,000, the United States being credited by him with something less than one-third of that amount. The present estimate, compared with Mulhall's, shows that the banking power of the United States has increased since that date by $8,676,000,000, or 168.47 per cent., and that of foreign countries by $8,946,000,000, or 82.57 per cent., the combined banking power of the world having increased since 1890 from $15,985,000,000 to $33,608,000,000, a total ratio of increase of 110.25 per cent.

State, Savings, Private Banks, Loan and Trust Companies.

Incorporated in the National Bank Act is the provision that the Comptroller of the Currency shall include in his annual report to Congress information relative to the condition of banks and banking institutions chartered

and operated under State authority. In obtaining such information the usual course has been followed in calling upon officers of States having supervision of institutions of that character for abstracts or copies of reports filed therewith. In States having no laws providing for the submission and compilation of the reports, requests were addressed to each incorporated and private bank for a statement of condition, of date June 30, 1904.

Official returns concerning the condition of incorporated commercial banks have been received from all the States and Territories of the Union with the exception of Alabama, Arkansas, Indian Territory, Oregon, Idaho, Nevada, Alaska, and Hawaii, from which unofficial returns have been compiled from reports furnished by the individual banks.

From official sources and from banks direct returns have been received showing the condition of 9,519 banks, other than National, with aggregate resources of $8,542,839,386.

Reports were received from 6,923 commercial banks, 585 loan and trust companies, 1,157 Savings banks, of which 668 were of the mutual class without capital stock, and from 854 private banks and bankers.

The capital stock of the State banks is $347,421,197, and individual deposits $2,073,218,049. The number of reporting banks of this character is 961 greater than in 1903, and there is an increase in assets of approximately $372,000,000.

In 1903 reports were received from 531 loan and trust companies, having aggregate resources of $2,298,554,063. For the current year reports have been received from 585 corporations of this character, having assets of $2,380,287,747.

Returns were obtained from 854 private banks, against 1,174 in 1903. The assets of banks of this character, as reported in 1903, were $169,049,821, against $123,549,859 for the present year. The decrease in the number of private banks and bankers reporting and corresponding drop in their volume of assets is attributable to the fact that during the past year a large number of private banks were converted into State banks, over 100 of such private institutions in the State of Wisconsin alone having been incorporated during the year to meet the provision of a recent law of that State.

Reports obtained with respect to the capital, amount and average rate per cent. of dividends paid by State banks and loan and trust companies submitting data of that character for the year ended June 30, 1904, were received from 2,656 State banks with capital of $149,834,408, showing the payment of dividends to the amount of $12,730,514, or an average of 8.5 per cent.; from 538 loan and trust companies with capital of $209,617,666, showing the payment of dividends amounting to $18,739,874, or an average of 8.94 per cent., and from 270 private banks the dividends paid amounted to $993,652 on capital stock of $6,738,243, or an average of 14.75 per cent.

Consolidated Returns From State, Savings Banks, Private Banks, and Loan and Trust Companies.

For the purpose of comparison there is given herewith a table showing the principal items of resources and liabilities of banks other than National, in the years 1899 to 1904, inclusive.

Consolidated Returns from State, Savings, Private Banks and Trust Companies, 1899 to 1904, inclusive.

Items.	1899.	1900.	1901.	1902.	1903.	1904.
Loans	$2,659,940,630	$3,018,449,827	$3,444,377,672	$3,942,592,907	$4,296,675,586	$4,360,209,382
Bonds	1,527,595,160	1,728,830,351	1,935,625,964	2,094,496,729	2,334,329,907	2,522,890,815
Cash	210,884,047	220,667,109	240,145,951	250,815,787	275,813,526	301,578,011
Capital	368,746,648	403,192,214	430,401,557	439,621,208	578,418,944	625,116,824
Surplus and undivided profits	418,798,087	490,654,957	538,866,278	614,509,805	731,314,014	779,241,781
Deposits	4,246,500,852	4,780,893,692	5,518,804,859	6,005,847,214	6,352,700,056	6,688,107,157
Resources	5,196,177,381	5,841,658,920	6,681,567,334	7,355,110,843	8,016,181,848	8,542,839,386

The foregoing indicates an increase in aggregate resources in 1904 over 1903, of approximately $526,000,000, and while there was a net gain in loans

and discounts of only $63,000,000, individual deposits increased during the year in the sum of $335,500,000, and the cash holdings $26,000,000.

From other tables it appears that the decrease in the amount of loans of private banks and trust companies, $30,300,000 and $155,600,000, respectively aggregating about $186,300,000, is offset by the gain in assets of this character by State banks. The Savings banks' loans show an increase over 1903 of approximately $63,000,000. The conversion during the past year of a large number of private banks into incorporated or State banks accounts for the apparent reduction in resources of concerns of the former class. The greatest shrinkage in loans and discounts is chiefly confined to loan and trust companies in operation in New York—from $735,000,000 in 1903 to $637,000,000 in 1904. These institutions, however, largely increased their investments in stocks, bonds, etc.; their deposits with banks, and also their currency holdings. Accompanying the reported loss of $37,500,000 in the amount of deposits in private banks is shown a gain in the State banks of $258,700,000; Savings banks $103,300,000, and loan and trust companies $11,000,000, or a net gain of $335,500,000.

In the following table are incorporated the principal items in resources and liabilities of National banks, all other banks and banking institutions, and consolidated returns from all reporting banks in 1893, 1903, and 1904.

Classification.	1893.			1903.			1904.		
	3,807 national banks.	5,685 State banks.	Total, 14,492 banks	4,939 national banks.	8,745 State banks.	Total, 13,684 banks.	5,331 national banks.	9,519 State banks.	Total, 14,850 banks.
	Millions.	*Millions.*	*Millions.*	*Millions.*	*Millions.*	*Millions.*	*Millions.*	*Millions*	*Millions*
Loans	$1,843.6	$2,348.1	$4,191.7	$3,442.3	$4,296.6	$7,738.9	$3,621.8	$4,360.2	$7,982.0
U. S. bonds	224.0	149.9	373.9	527.1	18.6	545.7	554.4	23.2	577.6
All other bonds	148.5	859.6	1,008.1	538.6	2,315.6	2,854.2	576.8	2,499.6	3,076.4
Cash	310.3	205.6	515.9	581.4	275.8	857.2	688.9	301.5	990.4
Capital stock	678.5	406.0	1,084.5	743.5	578.4	1,321.9	767.3	625.1	1,392.4
Surplus and profits	350.2	346.2	696.4	542.1	731.3	1,273.4	581.6	779.2	1,360.8
Deposits	1,465.4	3.070.4	4,585.8	3,348.0	6,352.7	9,700.7	3,422.7	6,688.1	10,110.8
Aggregate resources	3,109.5	3,979.0	7,088.5	6,286.9	8,016.1	14,303.0	6,655.9	8,542.8	15,198.7

Requests for reports of resources and liabilities of banks other than National addressed to State officials, called also for information as to the number and capital of banks of the various classes organized in each State during the year ended June 30, 1904, and the returns submitted are complete and official with respect to the States from which the information was received. A summary of the returns shows the organization of 1,050 banks with capital stock of $35,888,265, of which 983, with capital of $28,226,088, were incorporated commercial banks; fifty-five, with capital of $7,561,677, loan and trust companies; two mutual savings banks without capital and ten private banks with capital of $100,500.

State and Private Bank Failures.

Through the courtesy of Mr. Frank Green, managing editor of "Bradstreet's," this office has been placed in possession of information relating to the number, assets, and liabilities of incorporated and private banks which failed during the year ended June 30, 1904. The total number of failures during the year was 102, the assets of the banks being $24,296,823 and the liabilities $31,774,895. Included in the number of failures were thirty-seven State banks, seven savings banks, eight trust companies, and fifty private banks.

Growth of Banking in the United States.

In the following table is shown the growth of banking in the United States, as indicated by the number of banks, capital stock, and individual deposits, from 1882 to 1904. On the earlier date the number of reporting banks was 7,302, with capital of $712,100,000, and deposits of $2,785,407,000.

Number of Failures, Capital, Assets, Liabilities and Dividends Paid by Banks Other Than National Which Failed in Each Year from 1864 to 1904.

Year.	Number of failures.	Capital.	Nominal assets.	Liabilities.	Dividends paid.
1864	2	....	....	....	....
1865	5	$125,000.00	$245,401.97	$225,662.14	$145,592.25
1866	5	275,000.00	1,206,035.00	890,112.00	....
1867	8	260,000.00	222,075.00	138,821.00	138,821.00
1868	7	276,381.00	183,002.30	148,886.00	....
1869	6	100,000.00	77,861.00	361,961.73	82,844.74
1870	1	....	....	50,000.00	....
1871	7	220,000.00	2,314,871.90	2,654,187.15	974,256.96
1872	10	470,000.00	2,126,124.18	3,059,318.06	1,906,573.00
1873	33	907,000.00	4,644,889.91	6,938,653.01	3,420,016.33
1874	40	770,000.00	4,125,731.00	4,562,879.00	2,022,498.51
1875	14	2,413,900.00	9,190,283.98	12,365,475.25	4,143,941.97
1876	37	961,000.00	7,312,218.73	9,206,429.34	5,178,020.98
1877	63	2,491,250.00	13,137,835.47	15,223,785.49	7,004,558.27
1878	70	3,250,193.00	26,001,949.67	27,269,520.51	19,485,717.87
1879	20	1,370,465.00	5,102,691.94	5,253,307.22	4,235,808.85
1880	10	452,200.00	1,629,146.61	1,311,799.49	288,494.74
1881	9	436,750.00	585,653.06	1,785,890.45	851,755.00
1882	19	545,000.00	2,765,951.10	2,608,489.57	1,221,737.29
1883	27	870,000.00	2,813,915.19	3,193,747.39	1,408,047.99
1884	54	1,718,596.00	12,900,819.05	15,508,389.70	9,671,860.25
1885	32	1,099,400.00	2,982,879.51	4,883,454.27	2,361,320.01
1886	13	254,000.00	1,300,536.30	1,140,824.48	673,579.10
1887	19	931,590.00	2,865,300.30	3,074,622.29	1,610,527.45
1888	17	745,500.00	2,805,3[illegible].52	3,342,336.52	1,924,773.68
1889	15	363,250.00	1,279,900.68	2,147,059.18	1,026,682.73
1890	30	2,169,568.00	10,692,385.98	11,385,584.64	3,884,577.99
1891	44	2,071,300.00	7,190,824.69	6,365,198.77	3,090,597.48
1892	27	578,840.00	2,719,410.75	3,227,608.56	803,860.76
1893	261	16,641,687.00	54,828,690.65	46,766,818.80	17,912,270.45
1894	71	3,112,447.00	7,958,284.18	7,218,319.51	1,456,522.87
1895	115	8,906,350.00	11,276,529.99	9,010,584.93	2,251,708.93
1896	78	3,400,642.00	10,240,244.97	7,513,837.41	534,363.30
Total	1,164	53,187,259.00	212,725,771.58	218,833,563.86	99,711,330.75
Not dated	70	445,000.00	1,586,419.00	1,796,424.41	377,396.20
Grand total	1,234	53,632,259.00	214,312,190.58	220,629,988.27	100,088,726.95
1897	122	....	17,929,163.00	24,090,879.00	....
1898	53	....	4,493,577.00	7,080,190.00	....
1899	26	....	7,790,244.00	10,448,159.00	....
1900	32	....	7,675,792.00	11,421,028.00	....
1901	56	....	6,873,372.00	13,334,629.00	....
1902	43	....	7,323,737.00	10,332,666.00	....
1903	26	....	2,166,852.00	4,005,643.00	....
1904	102	....	24,296,823.00	31,774,895.00	....

The proportion of National bank capital was 67.01 per cent., and deposits in National banks 38.3 per cent. On this date there was one bank for every 7,190 inhabitants, the capital and deposits per capita being $13.60 and $53.06, respectively. In 1892 the number of reporting banks had increased to 9,338, the capital to $1,071,073,048, and the deposits to $4,664,934,250. The percentage of National bank capital had declined to 63.9 and deposits to 37.6. In 1892 there was one bank for every 7,016 inhabitants, the per capita of capital being $16.40 and deposits $71.40. In 1902 the number of reporting banks was 16,156, with capital of $1,340,160,416; deposits, partially estimated, $9,583,315,778. National bank capital represented 52.4 per cent. of the total and the deposits 32.3 per cent. The greater increase in the number of banks, as compared with population, is indicated by the fact that there was in existence one bank for every 4,897 of population, the average per capita of capital and deposits having increased to $16.90 and $121.25, respectively. As will be observed from the table, the figures for 1903 include the capital and estimated deposits of some 4,546 banks, reports relative to whose condition were not received.

The aggregate number of banks for this year is shown to have been 18,230, with capital of $1,474,328,512 and deposits of $10,056,215,995. National bank capital declined to 50.43 per cent. and the deposits to 31.8 per cent. On or about June 30, 1904, from reports received at this office from National and State banks, and adding thereto the number of non-reporting

banks whose capital is stated by bank reporters, and amount of deposits estimated upon a basis of statements of reporting banks, the total is found to be 18,844, the capital $1,473,904,674, and the deposits $10,448,545,990. As will be observed, the percentage of National bank capital has increased to 52.06, but the average per cent. of deposits shows a reduction to 31.7. In this year there is shown to exist one bank for every 4,344 inhabitants. The per capita of capital stock and deposits has increased to $18 and $127.73, respectively.

The table referred to is as follows:

Banks.	Number.	Capital.		Individual deposits.	
		Amount.	Per cent.	Amount.	Per cent.
1882.					
National	2,239	$477,200,000	67.01	$1,066,707,000	38.3
State, etc	5,063	234,900,000	32.99	1,718,700,000	61.7
Total	7,302	712,100,000	100.00	2,785,407,000	100.00
1892.					
National	3,759	684,678,203	63.9	1,753,339,679	37.6
State, etc	5,579	386,394,845	36.1	2,911,594,571	62.4
Total	9,338	1,071,073,048	100.00	4,664,934,250	100.00
1902.					
National	4,535	701,990,554	52.4	3,098,875,772	32.3
State, etc	7,889	499,621,208	47.6	6,005,847,214	67.7
Reporting capital only	3,732	138,548,654		478,592,792	
Total	16,156	1,340,160,416	100.00	9,583,315,778	100.00
1903.					
National	4,939	743,506,048	50.43	3,200,993,509	31.8
State, etc	8,745	578,418,944	49.57	6,352,700,055	68.2
Nonreporting	4,546	152,403,520		502,522,431	
Total	18,230	1,474,328,512	100.00	10,056,215,995	100.00
1904.					
National	5,331	767,378,148	52.06	3,312,439,841	31.7
State, etc	9,519	625,116,824	47.94	6,688,107,157	68.3
Nonreporting	3,994	81,409,702		447,998,992	
Total	18,844	1,473,904,674	100.00	10,448,545,990	100.00

NOTE.—Figures for 1902, 1903, and 1904 include banks of island possessions.

For the purpose of showing the growth of banking in the country, based upon the amount of individual deposits shown by reports received at this office, a compilation of the returns for the years 1892, 1896, 1900, and 1904, has been made for each State and geographical division, showing in each the amount of deposits in State banks, Savings banks, loan and trust companies, and national banks.

By reference to the accompanying table, in which is stated the individual deposits of each class of banks in each geographical division in the four years mentioned, namely, 1892, 1896, 1900, 1904, it will be noted that the increase in deposits from $4,664,934,250, in 1892, to $4,945,124,423 in 1896, was but 6 per cent., or $280,190,173. In 1900 the volume of deposits had increased to $7,238,986,450, the amount and per cent. of increase during this four-year period being $2,293,862,027 (which includes about $3,000,000 on deposit in banks in the island possessions), and 46 per cent., respectively. Including $19,287,669 deposits in banks located in the island possessions, the total deposits in all reporting banks in 1904 amounted to $10,000,546,999, an increase of $2,761,560,549, or 38 per cent since 1900. The increase from 1892 to 1904 was the enormous sum of $5,335,612,749, the rate of increase being 114.4 per cent.

Consolidating the returns relating to the deposits in each of the years mentioned, by geographical divisions of the country, there is shown to have been an increase in the deposits of banks located in the New England States from $1,061,115,759 in 1892 to $1,659,896,457 in 1904. The increase in the Eastern States during this period was from $2,049,006,306 to $4,523,152,-

171; Southern States, from $234,040,538 to $638,669,276; Middle Western States, 924,138,927 to $2,225,451,820; Western States, from $155,762,232 to $372,031,864, and the Pacific States from $240,870,488 to $562,057,742. The deposits in the banks in the island possessions (Hawaii only) are first stated for 1900, when they amounted to $3,096,174. In 1904 the amount of deposits in the banks in the island possessions is shown to have been $19,287,669.

In the following table is stated the aggregate amount of deposits in each geographical division on the indicated dates:

Individual Deposits in State, Savings, Private and National Banks and Loan and Trust Companies, in Each Geographical Division, on or about June 30, 1892, 1896, 1900 and 1904.

Geographical division.	Individual deposits.			
	1892.	1896.	1900.	1904.
New England States	$1,061,115,759	$1,193,305,495	$1,424,817,540	$1,659,896,457
Eastern States	2,049,006,806	2,291,712,712	3,433,569,340	4,523,152,171
Southern States	234,040,538	221,685,019	375,048,348	638,669,276
Middle Western States	924,138,927	877,758,849	1,406,295,681	2,225,451,820
Western States	155,762,232	128,834,009	236,311,164	372,031,864
Pacific States	240,870,488	231,828,339	359,858,203	562,057,742
United States	4,664,934,250	4,945,124,428	7,235,890,276	9,981,259,330
Island possessions	....	....	3,096,174	19,287,669
Grand total United States, etc	4,664,934,250	4,945,124,428	7,238,986,450	10,000,546,999
Average individual deposit, per capita of population	712	692	948	1,227

Banking in the Island Possessions.

Through the courtesy of Hon. Frank A. Branagan, Treasurer of the Philippine Archipelago, the office has been placed in possession of official reports of the banking institutions of the Philippine Archipelago, and to Hon. Wm. F. Willoughby, Treasurer of Porto Rico, the Comptroller is indebted for an abstract of the reports of condition of the banks other than National in Porto Rico; such information as has been obtained in respect to the condition of banks in the Hawaiian Islands being furnished by the banks direct.

The Philippines.

A summary of the returns of the ten banks in the Philippines as of date March 31, 1904, together with individual statements, as made to the Treasurer of the Archipelago at the latter date, shows the principal items of resources and liabilities of these banks: Loans and discounts, including overdrafts, $13,695,569; bullion, specie and other currency, $4,913,170; due from other banks and agencies, $5,847,376; aggregate resources, $27,312,500; capital stock, $1,391,862; surplus and undivided profits, $1,303,122; bank deposits, $13,220,157; individual deposits, $7,879,628; public deposits (insular), $2,178,438.

Comparing these returns with those submitted to this office under date of June 30, 1903, aggregate resources show a decrease of $640,009. Cash holdings have decreased in the sum of $2,887,031, the loss being chiefly in the United States notes held, which have decreased from $3,042,411 in 1903 to $689,981 in 1904; loans and discounts have increased by 506,430, while individual deposits show a loss of $1,645,608 and public deposits (insular) a loss of $3,001,679. The item of bank deposits, however, has increased from $8,677,434 in 1903 to $13,220,157 for the current year, being an increase of $4,542,713.

The banks from which reports were received are the Manila agency and the Iloilo sub-agency of the Hongkong and Shanghai Banking Corporation; the Manila agency and Cebu sub-agency of the Chartered Bank of India, Australia and China; the Banco Español-Filipino at Manila and its Iloilo sub-agency; the Monte de Piedad y Cajade Ahorros de Manila; the American

Bank, at Manila; the Guaranty Trust Company, of New York, at Manila, and the International Banking Corporation of New York.

Porto Rico.

Reports have been received from ten banks in Porto Rico, with aggregate capital of $1,729,064, operating under Territorial laws, and from one National banking association with capital of $100,000.

The combined resources of the eleven banks are $7,416,837, a gain of $1,216,935 over the returns of 1903. The principal items of resources and liabilities of the former class of banks are, loans $2,393,704; bonds and stocks, $1,302,951; cash on hand, $1,214,085; capital stock, $1,729,064; surplus and undivided profits, $256,211; deposits, $3,654,336, and total resources, $6,985,153. The aggregate resources of the one National bank, as shown by the report of June 9, 1904, was $431,684; loans, $45,546; circulation, $100,000; deposits, $228,837.

Hawaii.

The two National banks in operation in the Territory of Hawaii, as shown by reports to this office dated June 9, 1904, have a combined capital of $525,000, circulation of $245,200, surplus and undivided profits $81,224. Individual deposits are $684,796, and United States deposits and disbursing officers accounts $226,744. The loans and discounts amount to $1,200,052, and the aggregate resources to $2,025,911.

Reports have been received from three incorporated banks and two private institutions with aggregate capital of $2,150,000; surplus and profits, $317,966; deposits, $4,568,932; loans and discounts, including overdrafts, $5,550,330; total resources, $8,055,495. From these returns, the banking power of the Territory, that is, capital, surplus profits, circulation, and deposits of the reporting banking institutions, will approximate $9,000,000, indicating a substantial gain over the figures obtained for 1903, as well as over those published for the year 1902.

Conclusion.

The figures given elsewhere in this report show the most marvelous growth in the wealth and commercial importance of the United States. Almost every year all previous records are broken in the volume of our internal trade, our exports and imports. The people of the United States have become the richest in the world, and the natural resources of the country are so great that this is sure to continue and increase for many years to come. The amount of bank clearings and deposits and the money on hand in the banks increases in every portion of the United States at a most remarkable rate.

In spite of all this, however, we do not seem to be taking our proper rank and position in foreign and international banking. One of the chief difficulties encountered by all merchants and manufacturers in extending their trade with foreign countries, and especially those of South America and of the Orient, is the lack of American banking facilities, and the necessity of doing this business very largely through European houses. This ranks next in importance to the question of an American mercantile marine, as it is one that has a very great influence on the volume and character of our foreign trade.

As long as the United States was experimenting with silver or a bimetallic standard that fact acted as a handicap in this direction, but now that the gold standard is firmly and irrevocably established we should be able to take our proper place in international banking transactions. New York should become more and more the depository for international balances, and exchange on New York be accepted more and more in all commercial countries of the world. One important reason why our people have not been more aggressive and taken a larger part in international banking business, the same as in many other lines of trade, is that we have been too much occupied with our domestic affairs and there has been a greater

temptation to transact the business at home, which was easy to do and promised as great or even greater profits.

With the accumulation of capital and wealth this condition is greatly changed, and there is now in the United States abundant capital and talent for this business, if it is given proper encouragement. Many of the National banks are now engaged in handling foreign exchange; some of them have large and successful foreign departments. In a measure, as the demand arises, facilities are being supplied, and the Comptroller sees no objection, but on the contrary many advantages in having the larger and more powerful National banks encouraged to cultivate this business by granting them additional powers and authority for doing so.

There have been suggestions made that the organization of National corporations should be authorized for the purpose of conducting the business of foreign and international banking alone, but these do not seem to have met with much favor, and it would appear to be a wiser policy to utilize the well organized and strong National banks which are already largely engaged in this business. The Comptroller believes that it would be a wise policy and entirely just to the banks to restrict these powers to banks of large capital located in the reserve cities. Many of them now have well-organized foreign departments and officials familiar with this business, and the Comptroller believes that they are the best agencies now at hand to extend and increase this very important business.

The Comptroller would therefore recommend, in pursuance of this policy, that National banks having a capital of $1,000,000 or more and located in the reserve cities or central reserve cities be specifically authorized to buy and sell foreign exchange; to accept bills drawn on themselves, payable not to exceed four months after sight, and to issue letters of credit; and also to open and maintain such offices, agencies, or branches as may be necessary to conduct this business in foreign countries, and in Porto Rico, the Philippine Islands, the Hawaiian Islands, and the Panama Canal Zone.

It is believed that this measure will tend to make closer the relations of the United States with each of its possessions, and would be obviously to the advantage of both. The increased sphere of our National life imposes new duties which, in so far as they relate to the great questions of banking and exchange, call for additional legislation; and the recommendations contained in the foregoing are intended to meet the necessities of our manifest obligations and duties in this respect.

The Comptroller respectfully recommends that an act be passed repealing the limitation on the proportion of the circulation of any bank which may be issued in notes of the denomination of $5. The evident intention of Congress in incorporating this restriction in the act of March 14, 1900, by which notes of the denomination of $5 are limited to one-third of the amount issuable by any association, was to limit the total issues of notes of that denomination to one-third of the aggregate amount issued. As a matter of fact, this proportion has not been exceeded since 1874. For the year prior to the passage of the act, National bank notes of this denomination amounted to but 31 per cent. of the total, and this percentage declined to 21 per cent. in 1900 and to 16.1 per cent. in 1902, and at the date of the last report of condition amounted to 13.6 per cent. The scarcity of notes of this denomination and the great convenience it is to the banks in the smaller communities to be able to issue notes of $5 to the amount of their whole circulation as formerly, leads the Comptroller to strongly recommend that this restriction be repealed.

The Comptroller would again renew the recommendation contained in his report of December 1, 1902, for the repeal of section 9 of the act of July 9, 1882, which limits the amount of lawful money which may be deposited with the Treasurer of the United States by National banks, reducing their circulation to $3,000,000 during any calendar month. The reasons which lead to the enactment of this restriction have ceased to exist, and there does not appear to be any good reason why it should be continued in force. Its repeal would add materially to the elasticity of the National bank circulation without any counter-balancing disadvantages.

The Comptroller would again call the attention of Congress to the neces-

sity for legislation in regard to the liquidation and consolidation of National banks and the extension of their corporate existence. The reasons for this recommendation were given in detail in the report of the Comptroller of the Currency for December 7, 1903, and further experience and administration of the law show the necessity of some action, not only in the interest of better and more efficient administration but for the better protection of the rights of the shareholders of National banks.

In closing this report the Comptroller wishes to again give credit to Mr. W. J. Fowler, the chief of the organization division, who has had charge of the collection and arrangement of statistics, for his accuracy, efficiency, and ability.

WM. B. RIDGELY,
Comptroller of the Currency.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

FEDERAL REGULATION OF CORPORATIONS.

The first general report of the Commissioner of Corporations James R. Garfield covering the period from the organization of the Bureau to June 30, 1904, was made public December 21 by Secretary Metcalf of the Department of Commerce and Labor.

As shown by this report, the work of the Bureau has been almost entirely the laying of a foundation of accurate knowledge of the legal and general business conditions with which it must deal and a clear definition of the problems for the consideration of which it was created.

The result of the work may be thus summarized:

1. Commercial and industrial conditions present the foremost problems of today. There exists a deep-rooted general feeling of dissatisfaction with existing conditions. Some causes of dissatisfaction are apparent and the evils very real and great.

2. The present legal conditions under which corporate business is carried on are extremely unsatisfactory. They admit of and invite extreme abuse. They are the result of forced growth under divergent pressures, and in their present anomalous state represent the needs or demands of special interests, and are not a permanent body of law adapted to provide properly for all the interests involved.

Furthermore, the "State system," applied to inter-State businesses, has developed additional and peculiar evils; a diversity so great as to amount in operation to anarchy; an inevitable tendency toward the lowest level of lax regulation, and the unequal and disastrous contest between State Legislatures and commercial forces of national size and power.

3. No satisfactory reform is to be expected under the "State system" of incorporation.

4. The Federal Government has at its command sufficient power to remedy these conditions in its control of inter-State commerce, supplemented by subsidiary and incidental powers.

5. So far the commerce clause of the Constitution has had a negative development only, both under Congress and by judicial interpretation. With the exception of the Inter-State Commerce Act—the force of which has been seriously weakened by judicial interpretation—and the navigation laws, there has been no really affirmative attempt to regulate inter-State commerce. The commerce clause has been chiefly used to prevent interference by States with inter-State commerce.

6. The creation of this Bureau affords a means of getting essential facts. In addition to the value to Congress of such information, the publication of facts, the dissemination of knowledge, will bring into existence the influence of an enlightened public opinion which, properly applied, would go far to develop the sense of public trust involved in the control of pri-

vate wealth and the sense of personal responsibility on the part of officers or managers of corporations.

7. The work of the Bureau can proceed along the lines of inquiry and report, adding fact upon fact in proof of existing conditions, but no real remedy can be expected until Congress takes action by affirmative use of the great powers granted under the commerce clause of the Constitution.

8. The possible Congressional actions are:

(a) Delegation to the States of control over inter-State commerce. This is believed to be unconstitutional, and, secondly, subject to all the objections applicable to the present "State system."

(b) Compulsory Federal incorporation of inter-State commerce companies. This is probably legally practicable, but it involves radical industrial and political changes by the centralization of power in the Federal Government, and presents serious difficulties because of its effect upon the authority of the States over such corporations in matters of taxation and local regulation. Any optional law of this character would not overcome these difficulties.

(c) Federal license or franchise for inter-State commerce. Legally this is practicable; it avoids the legal difficulties of national incorporation as well as the practical one of centralization of power, and gives the National Government direct regulation of the agencies of inter-State and foreign commerce.

9. I therefore beg to suggest that Congress be requested to consider the advisability of enacting a law for the legislative regulation of inter State and foreign commerce under a license or franchise, which in general should provide as follows:

(a) The granting of a Federal franchise or license to engage in inter-State commerce.

(b) The imposition of all necessary requirements as to corporate organization and management as a condition precedent to the grant of such franchise or license.

(c) The requirement of such reports and returns as may be desired as a condition of the retention of such franchise or license.

(d) The prohibition of all corporations and corporate agencies from engaging in inter-State and foreign commerce without such Federal franchise or license.

(e) The full protection of the grantees of such franchise or license who obey the laws applicable thereto.

(f) The right to refuse or withdraw such franchise or license in case of violation of law, with appropriate right of judicial appeal to prevent abuse of power by the administrative officer.

This Bureau, says Commissioner Garfield, under the direction of the Secretary of Commerce and Labor, affords the appropriate machinery for the administration of such a law.

It is fully appreciated that this recommendation is not new, but has been the subject of most serious and exhaustive consideration by public officials and commissions, as well as private persons technically well qualified to speak. The Industrial Commission, in its final report on this subject, recommended, among other things, the adoption of a plan quite similar to this. It is neither necessary nor wise to attempt, in this report, to elaborate the details of such an act; but the Bureau has upon its files abundant and, in many particulars, exhaustive information which would be immediately available for the use of Congress or any committee thereof which might have under consideration such a measure.

The work of the Bureau falls naturally into the following divisions:

(a) Special investigations of particular corporations, joint stock companies or corporate combinations engaged in inter-State and foreign commerce. For this purpose the Commissioner is given power to compel the production of testimony.

(b) The collection and publication of useful information regarding corporations engaged in inter-State and foreign commerce.

(c) Insurance companies are included specifically under the work of obtaining useful information; but because of the decisions of our courts

regarding insurance the question of the power of the Commissioner over insurance companies requires special consideration.

Federal control over insurance and the exercise over insurance corporations of the compulsory powers of the Commissioner rest upon the same legal basis, raising at the outset the question whether insurance is in any of its forms inter-State commerce.

A long line of decisions of the Supreme Court of the United States, commencing with Paul vs. Virginia (8 Wall., 168), established the legal proposition that insurance was not inter-State commerce in any of its forms—fire, life or marine—as presented to the court. This line of decisions has been further supported by the uniform holdings of State courts.

If this legal proposition is irrevocably settled the powers of the Commissioner relative to insurance are purely of a statistical, voluntary, non-compulsory nature. He may collect, compile and publish such information as may be voluntarily furnished to him, but he cannot compel the production of such information, nor would he be justified in recommending any Federal legislation directed at Federal control of insurance. The rapid development of insurance business, its extent, the enormous amount of money and the diversity of interests involved, and the present business methods suggest that under existing conditions insurance is commerce and may be subjected to Federal regulations through affirmative action by Congress. The whole question is receiving most careful consideration upon both legal and economic grounds.

Washing in Wall Street.—The term "washing," as applied to manipulative operations in the stock market with a view to affecting quotations, refers to transactions having the superficial appearance of being bona fide which entail no actual transfer of values. It does not necessarily imply fictitious transactions.

Section 8 of Article XXIII. of the New York Stock Exchange constitution reads: "Fictitious transactions are forbidden. Any member violating this rule shall be liable to suspension for a period not exceeding twelve months."

A manipulator operating in the market will often buy and sell stocks at the same time through different brokers, but so far as the Stock Exchange is concerned the transactions are bona fide. The brokers on either side of the market are not supposed to know that they are acting for the same principal. They may know it and they may not, but whether they do or not the broker having the selling orders offers the stock openly, so that any one may buy it and the broker having the buying orders makes his bids openly so that any one may tender him the stock. It is true that each broker may have had intimations that to as great an extent as possible he is expected to deal with certain brokers on the other side. On receiving his orders to buy or sell he may have got the hint to notice what Smith might offer or to watch the bidding of Jones, but discrimination on the floor cannot be shown openly, and the principal who is thus buying and selling at the same time through different brokers placed on opposite sides of the market is always in danger of losing stock that he does not want to sell or of receiving stock that he is not anxious to buy. And the transactions are to this extent bona fide, that any outside stock tendered on his broker's bids must be received or vice versa. The market is there for brokers acting for other principals. Without the expedient known as "washing," manipulation as it has always been conducted in Wall Street would not be feasible, and without manipulation there would not be much of a stock market.—*New York Sun.*

Stockholders' Subscription for New Stock.—In the case of a shareholder of a trust company who brought suit to enforce his right to subscribe for new stock at par, the Appellate Division of the Supreme Court of New York has decided that there is no legal authority in that State upholding the right contended for.

ANNUAL REPORT OF THE SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,
Washington, D. C., December 6, 1904.

Sir: I have the honor to submit the following report:

RECEIPTS AND EXPENDITURES.—FISCAL YEAR 1904.

The revenues of the Government from all sources (by warrants) for the fiscal year ended June 30, 1904, were:

From customs	$261,274,564.81
From internal revenue	232,904,119.45
From sales of public lands	7,453,479.72
From profits on coinage, bullion deposits, etc	6,373,396.28
From revenues of the District of Columbia	5,454,344.47
From fees—consular, letters patent, and lands	4,202,730.39
From sales of Indian lands, proceeds of Indian labor, etc.	3,112,720.76
From navy pension, navy hospital, clothing, and deposit funds	2,570,073.56
From tax on circulation of national banks	1,836,639.49
From payment of interest by Pacific railways	1,782,468.97
From trust funds, Department of State	1,791,741.25
From immigrant fund	1,662,835.01
From customs and navigation fees, fines, penalties, etc.	831,572.41
From miscellaneous	731,654.64
From Soldiers' Home permanent fund	687,653.49
From sales of Government property	547,774.22
From judicial fees, fines, penalties, etc	407,252.71
From sale of lands, buildings, etc	252,549.18
From deposits for surveying public lands	205,757.33
From tax on sealskins	197,260.70
From reimbursement of loan to Louisiana Purchase Exposition Company	195,057.04
From license fees, Territory of Alaska	168,975.43
From sales of ordnance material	129,843.06
From depredations on public lands	101,128.59
From Spanish indemnity	57,000.00
From part payment Central Pacific Railroad indebtedness	5,699,156.44
	540,631,749.40
From postal revenues	143,582,624.34
Total receipts	684,214,373.74

The expenditures for the same period were:

For the civil establishment, including foreign intercourse, public buildings, Panama Canal, collecting the revenues, District of Columbia, and other miscellaneous expenses	$180,264,172.06
For the military establishment, including rivers and harbors, forts, arsenals, seacoast defenses, and expenses of the war with Spain and in the Philippines	115,035,410.58
For the naval establishment, including construction of new vessels, machinery, armament, equipment, improvement at navy-yards, and expenses of the war with Spain and in the Philippines	102,956,101.55
For Indian service	10,438,350.09
For pensions	142,559,266.36
For interest on the public debt	24,646,489.81
For deficiency in postal revenues	6,502,530.86
	582,402,321.31
For postal service	143,582,624.34
Total expenditures	725,984,945.65
Showing a deficit of	41,770,571.91

The sum of $50,000,000 was paid during the year for the right of way of the Panama Canal.

In addition to the revenues collected during the year and the amounts received on the indebtedness of Pacific railroads, the cash in the Treasury was increased $1,190 by the issue of 4 per cent bonds in liquidation of interest accrued on refunding certificates converted during the year.

The securities redeemed on account of the sinking fund were as follows:

Fractional currency		$1,990.75
One-year notes of 1863		150.00
Compound-interest notes		870.00
Funded loan of 1891, called		1,300.00
Funded loan of 1891, called		1,300.00
Funded loan of 1891, continued at 2 per cent		7,000.00
Loan of 1904, called		18,607,200.00
Premium on bonds exchanged—		
Funded loan of 1907	$1,052,045.35	
Loan of 1908-1918	205,532.66	
		1,257,578.01
National bank notes redeemed in excess of deposits		4,526,766.00
Total		24,402,964.76

Compared with the fiscal year 1903, the receipts for 1904 decreased $10,-406,743.90. There was an increase of $85,661,495.37 in expenditures.

Fiscal Year 1905.

The revenues of the Government for the current fiscal year are thus estimated upon the basis of existing laws:

From customs	$263,000,000.00
From internal revenue	233,000,000.00
From miscellaneous sources	45,000,000.00
From postal revenues	159,472,060.72
Total estimated revenues	700,472,060.72

The expenditures for the same period are estimated as follows:

For the civil establishment	$138,000,000.00
For the military establishment	122,000,000.00
For the naval establishment	122,000,000.00
For the Indian service	13,000,000.00
For pensions	140,000,000.00
For interest on the public debt	24,000,000.00
For postal service	159,472,060.72
Total estimated expenditures	718,472,060.72
Or a deficit of	18,000,000.00

Operations of the Treasury.

The available cash balance in the general fund June 30, 1904, was $172,-051,568, which is less by $66,634,546 than the balance on June 30, 1903. The Panama Canal payments, the redemption of the outstanding 5's of 1904, and a change in the ratio of the revenues to the expenditures contributed to this result.

Of the revenues in 1904, compared with 1903, customs show a decrease of $23,205,017, and the receipts from public lands are less by $1,472,831, while an increase appears in internal revenue of $2,093,995, and in miscellaneous items of $2,818,928. The net result is a decrease in ordinary revenues for the year of $19,764,925. There was an apparent net increase in ordinary expenditures of $76,303,314, but this includes the payment of $50,000,000 on account of the Panama Canal and a loan of $4,600,000 to the Louisiana Purchase Exposition Company. The latter sum has since been reimbursed.

For the first quarter of the fiscal year 1905, the revenues were $138,034,-462, the expenditures $155,891,077, an excess of expenditures over receipts of $17,856,615.

The deposits in National banks to the credit of the general fund attained a maximum at $159,111,708 on December 19, 1903. Three calls were issued during the year on the depositary banks for the return of a part of the public moneys deposited with them. They responded with prompt-

ness, paying back the sums required of them, and the balance in the banks to the credit of the general account at the end of the fiscal year became $102,290,863, a reduction of $56,820,844 from the maximum balance, and of $37,936,271 as compared with that of twelve months before.

The trust funds are $85,015,700 greater at the beginning of the fiscal year 1905 than twelve months earlier, by reason of an increase of $85,510,-700 in gold certificates, $5,770,000 in silver certificates, and a decrease of $6,265,000 in Treasury notes.

Transactions in the interest-bearing public debt resulted in a net reduction in the principal of $19,383,970 and a decrease in the annual interest charge of $1,364,828.

The National bank notes presented for redemption during the year amounted to $262,141,930, or 61.12 per cent of the average amount of the notes outstanding. Compared with 1903, this sum is $65,712,309, or 33.45 per cent larger, and it is the maximum presented in any year in the history of such redemptions. The total expenses were $219,093, which sum was assessed upon the several banks in proportion to their circulation redeemed, at the rate of $0.84716 for each $1,000. This rate of expense is 5.546 cents less than the lowest rate heretofore recorded. The National bank notes presented for redemption during the first quarter of the fiscal year 1905 were $70,247,586, an increase of $11,607,579, or 19.79 per cent, over the corresponding period of 1904.

The total stock of money in the country at the close of the fiscal year 1904 was $2,803,504,135, an increase of $118,793,148 over the preceding year. The share of gold, which July 1, 1900, was 44.21 per cent, became 47.35 on the same date in 1904. A large part of the increase in gold has settled into the Treasury vaults. Between July 1, 1900, and July 1, 1904, the Treasury has gained in gold $258,260,849, the total holdings of gold on the latter date amounting to $681,838,821, with a further increase to $721,253,987 on October 31.

The extraordinary amount of $42,193,282 in foreign gold coin and bullion and $29,158,970 in domestic bullion was deposited in the mint at San Francisco during the year and paid for by the local office or by telegraphic exchange on New York.

The money in circulation July 1, 1904, amounted to $2,519,142,860, a per capita circulation of $30.77. The percentage of gold was 44.12.

A notable fact is that, with an addition of 1.7 per cent to the population in the year, the increase in the circulation per capita has been 4.5 per cent.

By October 1, 1904, there was a further increase in circulation of $43,-006,629, and the circulation per capita reached the maximum at $31.16, while the share of gold became 44.03 per cent.

The amount of public money of the denomination of $20 and under in paper was increased during the year ended September 30, 1904, by $41,395,-213, or 3.17 per cent; of the denomination of $50 and over, the growth was $106,335,725, or 29.01 per cent, owing to an unusually large issue of gold certificates. The demand for small bills has been unceasing, becoming more urgent in the autumn, as in other years. The appeal is not confined to any particular district. It comes from the cotton and sugar regions, as well as from the States which produce wheat and corn, cattle and swine. The Department has employed all its resources to respond to this demand; but the supply of small notes is insufficient.

To assist in the movement of the crops, transfers of funds are effected through the medium of the general fund, and for deposits of large gold certificates in New York payments are made at other Treasury offices of silver dollars, silver certificates, and United States $10 notes.

The United States paper currency issued during the year amounted to $650,026,000, an increase of 18 per cent., with a growth of 8.3 per cent. in the number of pieces. The redemptions were $565,340,300, an increase of 15.7 per cent., while in the number of pieces the growth was 21.5 per cent.

The experience of the fiscal year 1903 shows the average cost for each piece of United States paper currency issued and redeemed to be less than 2 cents—exactly, 1.7005 cents.

Moneys received in the redemption and exchange account during the year amounted to $1,014,158,262, an excess over the preceding twelve months of $149,654,701, or 17.3 per cent. The payments in gold in both forms were $164,209,708 more than the receipts in such money.

The silver coin distributed at the expense of the Government for transportation during the year amounted to $65,415,663, of which $41,032,715 was in standard silver dollars and $24,382,948 in subsidiary coin. The rate for transportation was $1.93 per $1,000.

MINT SERVICE.—DOMESTIC COINAGE.

The domestic coinage of the mints during the fiscal year amounted to 148,712,953 pieces, of the value of $228,202,151. Of this, $208,618,642 was gold coin, exceeding the gold coinage of any previous year in the country's history. The coinage of standard silver dollars amounted to $10,101,650; of subsidiary silver, $7,719,231, and of minor coin, $1,762,628. The silver dollars were all coined from bullion purchased under the act of July 14, 1890. Of the subsidiary silver, $5,643,000 was likewise coined from this bullion.

SUBSIDIARY COINAGE.

On November 1, 1904, the amount of bullion in the Treasury purchased under act of July 14, 1890, was 2,742,589.71 fine ounces, which has a coining value in subsidiary money of $3,791,380.24.

The coinage of subsidiary coin during the last five fiscal years was as follows:

1900	$12,876,849.15
1901	10,966,648.50
1902	10,713,569.45
1903	8,023,751.25
1904	7,719,231.00
Total	50,300,049.35

From this it is apparent that steps must soon be taken to provide bullion for the subsidiary coinage.

The original authority to buy bullion for this coinage is given in section 3526 of the Revised Statutes, which reads as follows:

> Sec. 3526. In order to procure bullion for the silver coinage authorized by this Title, the superintendents, with the approval of the Director of the Mint, as to price, terms, and quantity, shall purchase such bullion with the bullion-fund. The gain arising from the coinage of such silver bullion into coin of a nominal value exceeding the cost thereof shall be credited to a special fund denominated the silver-profit fund. This fund shall be charged with the wastage incurred in the silver coinage, and with the expense of distributing such silver coins as hereinafter provided. The balance to the credit of this fund shall be from time to time, and at least twice a year, paid into the Treasury of the United States.

This authorization was limited by the joint resolution of July 22, 1876, which restricts the stock of subsidiary coin and fractional paper currency in the country to $50,000,000. The monetary act of March 14, 1900, raised the limit on subsidiary coin to $100,000,000 and authorized the use of bullion purchased under the act of July 14, 1890. It reads as follows:

> Sec. 8. That the Secretary of the Treasury is hereby authorized to use, at his discretion, any silver bullion in the Treasury of the United States purchased under the Act of July fourteenth, eighteen hundred and ninety, for coinage into such denominations of subsidiary silver coin as may be necessary to meet the public requirements for such coin: Provided, That the amount of subsidiary silver coin outstanding shall not at any time exceed in the aggregate one hundred millions of dollars. Whenever any silver bullion purchased under the Act of July fourteenth, eighteen hundred and ninety, shall be used in the coinage of subsidiary silver coin, an amount of Treasury notes issued under said Act equal to the cost of the bullion contained in such coin shall be canceled and not reissued.

The act of March 3, 1903, making appropriations for sundry civil expenses of the Government, contained the following paragraph, which is an enlargement of the authority conferred by the above provision:

> That the authority given to the Secretary of the Treasury to coin subsidiary silver coin by the eighth section of an Act entitled "An Act to define

and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes," approved March fourteenth, nineteen hundred, may hereafter be exercised without limitation as to the amount of such subsidiary coin outstanding.

In this connection, it may be pointed out that no provision now exists for the recoinage of standard silver dollars which by natural wear have become unfit for circulation. Many such are now in the Treasury. They can not be recoined into dollars without loss, and there is no authority to reimburse such loss. As the subsidiary coins are of lighter proportionate weight than the standard silver dollars, these abraded and uncurrent coins might be recoined into subsidiary silver coin without loss. The small contraction in the circulation of dollars would be offset by the increase in subsidiary coin, and the net result of the operation would leave the total money circulation unchanged. I recommend that the Secretary of the Treasury be given authority for such recoinage.

Gold Bullion in Redemption Fund.

Section 2 of the monetary act of March 14, 1900, directs the Secretary of the Treasury to set apart in the Treasury a reserve fund of $150,000,000 in gold coin and bullion, which shall be used for redemption purposes only. The relative proportions of coin and bullion to be maintained in the reserve are not here stated, but apparently left to the discretion of the Secretary of the Treasury. In section 6 of the same act, however, it is provided that "whenever and so long as the gold coin held in the reserve fund in the Treasury for the redemption of United States notes and Treasury notes shall fall and remain below one hundred million dollars" the authority to issue gold certificates shall be suspended. This practically limits the amount of gold bullion which may be held in the redemption fund to $50,000,000. It is preferable that all bullion in the Treasury be carried in the redemption rather than the general fund, but the aggregate of bullion necessarily held in the several offices for all purposes is so large that $50,000,000 is a narrow margin on which to work. The mint and assay office service has twelve offices at which gold deposits are constantly being received and in which some gold bullion must always be on hand. It has four mints and one assay office equipped with refineries, in which crude bullion, in greater or less quantities, is at all times under treatment to prepare it for coinage. The Mint Service manufactures fine gold bars for use in the arts and manufactures, and during the last fiscal year sold $21,640,644.40 worth for that purpose. A stock of bars of assorted weights must be carried constantly in several offices to meet the wants of this trade. It is the usual practice of bankers and exchange dealers who export gold to draw gold bars from the assay office in New York for that purpose. Such withdrawals during the last fiscal year amounted to $62,101,585, and it is desirable to keep an ample stock of bars in the New York office to meet this demand.

Another circumstance bearing on the situation is the fact that it is not convenient for the mints to work upon gold and silver at the same time. It is better practice to work upon the two metals alternately and not to be changing from one to the other more often than is necessary. To do this it is necessary to accumulate a fair stock of gold at each mint before starting upon its coinage. These conditions require such an amount of bullion on hand that it is difficult to avoid having over fifty millions in the aggregate in all the offices of the Treasury.

In this connection, I would invite special attention to the fact that under the operations of the monetary act of 1900, and the policies of this Department adopted in harmony therewith, a change has been brought about in the incidence of the demands upon the Treasury for gold. The act of 1900 provided for resuming the issuance of gold certificates, and on November 1, 1904, the amount of these certificates outstanding had risen to $531,479,969. On the other hand, it has been the policy of the Department steadily to reduce the United States notes of denominations above $10 to the ten-dollar denomination, until on November 1, 1904, the amount of such notes outstanding in denominations above $10 was only $82,017,787.

As the gold certificates are all in denominations of twenty dollars and above, it is apparent that demands upon the Treasury for gold are now likely to be made by the presentation of gold certificates rather than by the presentation of legal-tender notes. It might be supposed that this would relieve the reserve fund, but whether legal-tender notes or gold certificates are presented, the actual demand for gold is usually for bars. During the six months from January 1, 1904, to July 1, 1904, the Treasury gave $60,790,-511 in gold bars in direct exchange for gold certificates, while in the same time the total presentations of United States notes for gold amounted to only $6,591,240. The exchange of bars for gold certificates increases the supply of coin in the reserve fund by the same amount that the supply of bars is diminished. It is evident from the conditions that in the future any pressure upon the reserve fund will be for bars rather than coin.

There has never been any persistent demand upon the Treasury for gold except for export, and for that purpose bars are preferred by the shippers, as they are sure to be of full weight, while all coin that has been in circulation is more or less abraded. There is an advantage to the Government also in supplying bars instead of coin, as it saves the cost of coinage.

For the foregoing reasons it is recommended that section 6 of the act of March 14, 1900, be amended by making it read that "whenever and so long as the gold coin *and bullion* held in the reserve fund in the Treasury for the redemption of United States notes and Treasury notes shall fall and remain below one hundred million dollars, the authority to issue certificates as herein provided shall be suspended." The effect of the proposed amendment would be to vest in the Secretary of the Treasury discretionary power as to the proportion of coin and bullion in the reserve, and it would be his duty to keep at all times sufficient coin in the fund to meet the demand.

Coinage for Philippine Islands and Foreign Governments.

At the request of the Secretary of War, the purchases of bullion required for the silver coinage of the Philippine Islands, authorized by the act of March 3, 1903, were made by the Director of the Mint, with the approval of the Secretary of the Treasury. There were purchased from March 26, 1903, to June 30, 1904, for this purpose 13,528,226.30 fine ounces of silver, costing $7,376,995.28. This bullion has been paid for by the government of the Philippine Islands. There were also received during the fiscal year at the San Francisco mint old silver coins withdrawn from circulation in the Philippine Islands, amounting to 2,560,237.68 fine ounces, for conversion into the new coinage. The total coinage for the Philippine Islands during the year was 12,552,629.80 pesos in silver and 663,843.77 pesos in nickel and bronze. The Treasury has been reimbursed for the cost of all this Philippine coinage. In addition to the foregoing, the mint at Philadelphia coined 2,100,000 pieces in silver for Venezuela and 630,000 pieces in nickel for Costa Rica.

Denver Mint.

The new mint building at Denver has been completed since the close of the fiscal year under review, and turned over to the Mint Service. The organization of the institution has been completed, as contemplated by the act of March 18, 1904, except that no coiner has been appointed. It is intended to begin coinage operations about July 1, 1905, and the equipment is now being installed.

Deposits, Earnings, and Gains.

The original deposits of gold at the several mints and assay offices aggregated $177,753,384—the largest ever made in one year. The production of gold in the United States for the calendar year 1903 is estimated at $73,-591,700, and the industrial consumption at $29,063,551, of which $24,397,-962 was of new material.

Including the seigniorage on silver dollars, subsidiary silver coin, and minor coin, the total earnings and gains of the Mint Service during the year exceeded the expenditures by $5,012,604.

Loans and Currency.

The amount of the interest-bearing debt outstanding July 1, 1903, was $914,541,410. The amount July 1, 1904, was $895,157,440, a reduction of $19,383,970, obtained as follows:

Five per cent bonds, loan of 1904, redeemed under authority of the circular of September 23, 1903.....	$14,712,450
Five per cent bonds, loan of 1904, matured and ceased to bear interest under Department circular of November 2, 1903..	4,672,600
Four per cent refunding certificates redeemed in cash..	110
Total	19,385,160
Issue of 4 per cent bonds, funded loan of 1907, on account of conversion of accrued interest on refunding certificates	1,190
Net reduction	19,383,970

The form of the debt was also changed during the fiscal year 1904 by the refunding of 3 per cent. bonds of 1908 and 4 per cent. bonds of 1907 into 2 per cent. consols of 1930, as authorized by the act of March 14, 1900, and in pursuance of the circulars of March 26 and September 23, 1903. Particulars of the operations under the circular of March 26 are given in the last annual report. They were discontinued July 31, 1903. The amounts refunded under the circular of September 23 up to December 31, 1903, when operations were discontinued, are shown in the following table:

	Three per cent.	*Four per cent.*	*Total.*
Amount refunded........................	$4,337,600.00	$11,489,000.00	$15,826,600.00
Interest saved on old bonds to maturity.	628,739.77	1,666,662.50	2,295,402.27
Interest to be paid on new bonds to maturity of old bonds	419,159.84	833,331.25	1,252,491.09
Premium paid for old bonds	147,819.66	700,760.31	848,079.97
Premium received for new bonds.........	86,752.00	229,780.00	316,532.00
Net profit	149,012.27	362,350.94	511,363.21

The total amount of bonds refunded since March 14, 1900, under the circulars of March 14, 1900, and March 26 and September 23, 1903, is shown in the following recapitulation:

	Three per cent.	*Four per cent.*	*Five per cent.*	*Total.*
Amount refunded into two per cent. consols of 1930.........................	$119,260,000	$351,578,650	$72,071,300	$542,909,950
Interest saved on old bonds to maturity	27,283,662	89,852,710	13,050,355	130,186,727
Interest to be paid on new bonds to maturity of old bonds.................	18,189,108	44,926,355	5,220,142	68,335,605
Premium paid for old bonds.............	6,239,833	36,432,250	6,872,572	49,544,655
Premium received for new bonds.......	407,606	1,531,778	....	1,939,384
Net profit................................	3,262,327	10,025,883	957,641	14,245,851

All of the bonds so refunded were received at a valuation equivalent to their present worth, on the date of receipt for refunding, to realize an income of 2¼ per cent. per annum. The 2 per cent. consols of 1930 issued in lieu of the bonds surrendered were delivered at par for those refunded under the circular of March 14, 1900, and at a premium of 2 per cent. for those refunded under the circulars of March 26 and September 23, 1903.

The interest-bearing debt of the United States outstanding November 1, 1904, was $895,157,770. There were $531,246,440 in bonds held by the Treasurer of the United States in trust for National banks as security for circulating notes and deposits, leaving $363,911,330 in the hands of other investors.

Public Moneys.

The monetary operations of the Government have been conducted through the Treasurer of the United States, 9 subtreasury officers, the treasury of

the Philippine Islands, the American Colonial Bank of Porto Rico, and 858 National bank depositaries. The amount of public moneys held by the bank depositaries on June 30, 1904, including funds to the credit of the Treasurer's general account and United States disbursing officers, was $110,726,253, a decrease since June 30, 1903, of $37,116,357. On June 30, 1904, there were 270 regular and 570 temporary depositaries; 158 were designated during the fiscal year and 18 discontinued. On November 1, 1904, the number of depositaries was 835, and the amount of public moneys held by them was $114,558,481.

Revenues.

Customs receipts for the fiscal year 1904 were $23,000,000 less than in the previous year. While there was a further reduction during the early months of the present fiscal year, these receipts are now increasing, and there is no reason to believe the revenues for the year from this source will be less than in 1904. The falling off in 1904 over that of the previous year was due more largely to abnormal conditions in 1903 than to depression in 1904. There was collected, for instance, in duties on iron and steel and manufactures thereof $17,000,000 during 1903, and only $9,000,000 during the last fiscal year. This difference is accounted for by a demand for iron and steel products in excess of the capacity of American factories during the former year, which is not likely to be repeated.

Three other causes contributed to the falling off of customs revenues in 1904. First, the abolition of the war tax on tea, which caused a loss of over $2,000,000; second, the abolition of the countervailing duty on sugar, which resulted in an estimated reduction of over $300,000; third, the reciprocity treaty with Cuba, which caused a loss to the customs revenues of the United States estimated at $5,375,000 on sugar and $2,215,000 on tobacco.

It is also worthy of note that there has been a constant increase in the relative proportion of free over dutiable goods. The total imports of merchandise during October, 1904, was a little over $92,000,000 as against a little less than $82,000,000 in the same month of the preceding year, but practically this entire increase was in free imports. During the first ten months of the present calendar year, free imports increased in round numbers $29,000,000, while dutiable imports decreased $26,000,000.

Internal-revenue receipts show a slight, though immaterial, increase in 1904 over 1903.

Miscellaneous receipts collected during the current fiscal year show an increase to date of over $3,000,000. This is more than accounted for, however, by the payments made by the Louisiana Purchase Exposition Company.

The profit heretofore derived from silver coinage has become unimportant. The seigniorage yielded over $9,000,000 in 1902, $6,000,000 in 1903, less than $5,000,000 in 1904, and during the current year it is not likely to exceed $2,000,000.

From the foregoing review it is evident that the policy of public improvements can not be enlarged upon without providing some measure for a corresponding increase in revenues. There is no opportunity apparent to this Department where greater economy in administrative departments can be practiced without injury to the public service, and economy which injures the public service is parsimony and not economy. For instance, the Government annually pays over $200,000 in rent within the District of Columbia, which is estimated to yield fully 8 per cent. gross on the value of the leased buildings and rooms. No wealthy private corporation would do its business in such cramped and inconvenient quarters. It is the opinion of this Department that a large sum could be profitably invested in public buildings within the District. When it is borne in mind that a million-dollar public building represents a million dollars collected almost entirely upon luxuries and articles of voluntary use, and expended in labor, the wisdom of erecting enough buildings to furnish the space actually needed by the administrative departments is apparent.

CURRENCY.

Our currency system, though somewhat complicated, has been proved safe and reliable under every practical test. The exchange of gold for all forms of money issued or coined by the Government, on demand, authorized by act of Congress approved March 14, 1900, removes every suggestion of public distrust or doubt. The system has one recognized weakness, however; it is nonelastic. This criticism is sometimes answered by the statement that National banks possess the power to increase circulation at will. Actual experience demonstrates the insufficiency of this prerogative to correct the recognized evil. Banks are not likely to use their last $100,000 reserve in the purchase of Government bonds as a basis for an equal amount of currency not available for reserve, but which increases to that extent their liabilities. On the contrary, banks sometimes retire their circulation and sell their bonds for the purpose of replenishing reserve and reducing liabilities. During the summer months of the current year, bank reserves increased and interest rates were correspondingly low, but this very plethora of money resulted in an increase of National bank circulation. When reserve money is plenty, interest rates low, and the price of bonds normal, it is profitable for National banks to maintain circulation.

Speaking of this nonelastic feature of our currency in my last annual report, I employed this language, which I am unable to improve:

> It does not respond to the varying needs of seasons, or of localities, or of changing conditions of business. This admitted defect should be remedied. But in remedying it no measure should be considered that will in anywise weaken that which is now stable, and no element should be injected that will cause distrust or doubt. Fortunately, at the present time no recipient of any of our several forms of money stops to examine its character. It is all known to be as good as gold, for the credit of the Government is pledged to maintain its parity with gold. No act should be passed authorizing the issuance of anything less safe and secure.

BANK NOTES OF SMALL DENOMINATIONS.

To meet a demand for paper money of small denominations, referred to elsewhere in this report, I recommend that National banks be permitted to issue a larger proportion of their authorized circulation in denominations of five dollars, and that authority be given to issue one-eighth of the aggregate volume of gold certificates in denominations of ten dollars.

TRUST COMPANIES.

Within the last few years trust companies have made a relatively much larger growth in all the large cities than National banks. There were twenty-seven trust companies and forty-nine National banks in New York city ten years ago. The same city now has forty-seven trust companies and only forty-one National banks. Ten years ago the aggregate capitalization of the New York city trust companies was $26,400,000, and of National banks $50,700,000. Now the trust companies are capitalized at $54,900,000 and the National banks at $110,300,000, showing about the same relative increase. But the difference in the growth of deposits is marked. Trust companies in New York city held less than $260,000,000 ten years ago, and they now hold more than $875,000,000, while deposits in National banks have increased from more than $550,000,000 to a fraction less than $1,100,000,000. Thus, trust company deposits show an aggregate growth of $65,000,000 more than National bank deposits, and a growth of 240 per cent. as against 100 per cent. in National banks.

In Chicago the number of trust companies has increased in ten years from eight to twelve, while the number of National banks has decreased from twenty-one to twelve. The capitalization of trust companies in Chicago in the same period has increased from $4,000,000 to $20,000,000, or 400 per cent., as against an increase of 25 per cent. in the capitalization of National banks. Deposits in these trust companies have increased from $15,000,000 to $230,000,000 in ten years, and in National banks from $130,000,000 to $280,000.000, or an aggregate increase of $215,000,000 in trust companies as

against $150,000,000 in National banks, and an increase of 1,400 per cent in trust companies as against 115 per cent. in National banks.

Other large cities exhibit similar conditions. Many trust companies hold commercial accounts and are regularly engaged in discounting paper, and they hold in the aggregate more than $2,000,000,000 in deposits. Few, if any, of the States have any statutory requirement respecting reserve, and few of the companies are members of clearing houses.

It is manifest from the foregoing data that these institutions in our great cities, helpful as they have been to American development and commerce, unless conservatively managed, may become an element of danger to our financial system. They are already national in character, and several of them are of international influence. I suggest the propriety, therefore, of a law giving trust companies of large capitalization in large cities the privilege of incorporating under Federal law, with corresponding supervision. If such right were extended, the more conservative would probably avail themselves thereof, and this would compel others to cultivate conservatism. It would not be necessary to extend to them the distinctive prerogatives of National banks beyond the capacity of being designated financial agents of the Government, thereby justifying Federal jurisdiction; nor should they be brought into competition with commercial banks, but they should be required to keep an appropriate, though relatively small, reserve within their own vaults, lest in times of financial distress their large deposits with National banks increase rather than diminish the evils of financial panics. These great concerns, if properly and conservatively conducted, may prove of great and even unforeseen advantage to public as well as to private interests; and the best time to safeguard the country is when skies are clear.

PANAMA BONDS.

I have heretofore called attention to the fact that the bonds already authorized for the construction of the proposed isthmian canal will not be available as security for National bank circulation at a less rate of taxation than 1 per cent. per annum. The recommendation is repeated, therefore, that future issues of Government bonds be made available as the basis of circulation on the same terms as the consols authorized by act of March 14, 1900.

ASSAY OFFICE AT NEW YORK.

I repeat my recommendation of last year that the assay office at New York be sold and a new one erected in a more suitable location. The present site will bring enough to buy one more eligible and erect a more suitable building and have a respectable balance left to cover into the Treasury. The present building is inadequate in size and in every way inconvenient.

LESLIE M. SHAW, *Secretary of the Treasury.*

To the Speaker of the House of Representatives.

INSURING BANK DEPOSITS.—Of course it cannot be denied that the cost of this insurance, however small it may be, would fall on the sound banks, whose depositors are in no danger of loss through their failure. The compensation to the banks who really do the insuring is believed by the proposer to be in the freedom thus obtained from all apprehension in time of distress. That undoubtedly would be an advantage. It is a matter that deserves careful consideration. The point that will naturally occur to bankers is that the banks have no direct and only a very limited indirect control over the operations of each other. Except through some such agency as the clearing-house association they could not prevent the mismanagement against the effects of which they would insure depositors. It is at that point that the analogy with the note issues fails, for the notes are absolutely safe without any reference to the redemption fund required by law.—*New York Times.*

THE VALUE OF AN INDEPENDENT EXAMINATION OF A BANK.

[Address by G. F. Watt, Vice-President Baker-Vawter Company, of Chicago and New York, to the combined meeting of the Eastern Kansas, Northwestern Missouri, Southwestern Iowa and Southeastern Nebraska Bankers' Association, at St. Joseph, Missouri, December 7, 1904.]

My purpose is to tell you what good auditing means, what it accomplishes and why it is a part of good banking—from your standpoint, not mine.

One part of the system of every great corporation is the auditing of accounts. It is considered as necessary as the keeping of accounts, wherever a great business compels the use of good systems. Wherever accounts are kept, auditing is desirable. Wherever system is necessary, auditing is profitable. Wherever caution is practiced and accuracy is important, auditing is essential.

CONFIDENCE THE BACKBONE OF BANKING.

The backbone of banking is confidence. The growth of nearly every financial institution in this country can be traced to the fact that people had faith in it. This well-recognized fact leads banks to cultivate a feeling of security without which their operations could not be continued very long. Anything that will add to confidence in a financial institution is therefore a powerful lever for influencing business, and money spent to that end is well invested.

An independent examination of a bank made by a reputable company of auditors will do more to inspire confidence in the public than any one thing the directors may do.

A balance sheet is no proof whatever that the accounts are correct. The most ruinous errors need not throw the books out of balance, and intentional errors never do.

On the correctness of accounts depends a vital part of the business. Occasional errors are costly. Habitual errors may make the important accounts in a bank entirely unreliable.

Accuracy cannot be known to exist in accounts that are never checked over and proper proofs applied.

A good accountant's report shows the actual drift of the business. It distinguishes between apparent condition and real condition. It reveals false showings wherever they exist. It separates the actual assets from the fictitious. It makes a clear statement of resources and liabilities. It may only give proof to the opinions you already have, but it changes those opinions into knowledge.

A large bank in the Middle West, recently liquidated, could have been saved and made prosperous had an independent examination been made periodically. The directors were not familiar with all of the transactions of the officers, and while there were no criminal acts discovered on the part of these officers, there were gross errors in judgment which an independent examination would have brought to light.

The directors of another bank deemed it advisable to have an independent audit made because there had been unfavorable rumors regarding some of the officers of the institution. A certificate from the auditors, showing the soundness of the bank in every department, restored public confidence, with the result that the directors have ordered a semi-annual audit made, feeling that this will do more to retain the confidence of the people than any showing they may themselves make in a statement.

State and Government Examinations.

The public are no longer satisfied with the fact that the Government makes periodical examinations of banks, and that the bank directors are supposed to do likewise.

So far as National bank examinations are concerned, or those by State bank examiners, the public know little or nothing of them, and their reports are seldom, if ever, seen by the officers of the bank. The directors' examinations, while proper and protective, will not carry weight in the sense that an unbiased and exhaustive search might be expected to influence opinion.

All banks should open their books without reservation to skilled men, who may trace practically everything entered therein.

The auditor's report should be made public that the condition of the bank may be as well known to all who care to study it as to the officers themselves.

A National bank examiner is not required to audit a bank's accounts, except in so far as to cover the bank's fulfillment of the various regulations of the National Bank Act. Therefore, when a defalcation is discovered that may have extended over a long period, during which a number of examinations were made without detection, it cannot be charged to the carelessness or neglect of the National bank examiner.

While a few irregularities of this character are discovered by Government examiners, the large majority are brought to light through the carelessness of the offender, who in time has grown bold by the success of his plan of manipulation.

The directors cannot be expected to make a detailed audit of the bank's affairs such as an independent expert would make, nor should they do so, any more than the directors of a mercantile corporation. Imagine the stockholders of a large corporation accepting the statement of the directors without the certificate of a reputable, independent auditor.

Why do you bankers insist upon your customers having independent audits if not to satisfy yourselves of the accuracy and reliability of the statements of condition of their affairs?

The shareholders who have invested in the stock of your bank and the people who deposit their money in your institution have the right to and should be given a certificate of audit.

Improved Methods of Accounting.

One of the greatest benefits to be derived from a thorough audit is the criticism of poor methods of accounting and the suggestions for improvement therein.

There has been a tendency in the majority of banks to continue the use of obsolete methods that tend to hamper not only the administration of the routine, but retard a thorough examination. I will speak of the system possibilities later.

From my experience, I am of the opinion that an absolutely complete check on all of the transactions of a bank is impracticable. By that I mean no corps of auditors can take charge of a bank and in a reasonable period of time honestly certify to the statement that every entry and every balance in every account is absolutely correct. In order to do this, it would be necessary to constantly employ as large a force to check the daily routine work as is required to do the work originally. A few banks now do this with a night force of auditing clerks, but the expense of such a plan could not be borne by the great majority of banks.

With anything like a comprehensive system, however, we can prove the accuracy of the accounts and verify the correctness of the work and prepare a true statement of condition. An examination can be accomplished without interference with the daily operation, if the auditor and his assistants are experienced in their work.

To insure the success of an independent examination, it is essential that none of the tellers or clerks know of the intended audit until the examiner appears and is put in charge.

It is not possible for me to outline to you a definite plan of procedure. No two institutions are operated exactly alike, nor are the physical conditions similar. The auditor will have to consider both in planning his examination, and after taking charge of the cash will be guided by the existing methods of operation as he proceeds with the work.

Having a thorough knowledge of accounting, he will readily locate the weak points in the system, and attack them first. The fundamental principles of debit and credit are the same in all branches of accounting and where loosely or improperly applied, will be quickly discovered by the trained accountant.

While it is not possible to scrutinize every item of detail, it is possible to trace and verify any account wherein fraudulent entries or errors may be suspected.

Temptation comes to men through opportunity. The most effective curb on any kind of wrong-doing is possible publicity. A system which makes it possible for a man to steal and cover up his stealings is an injustice to both employer and employee. Circumstances have combined with opportunity to lead many a naturally honest man to steal. Young men, especially, have been tempted and destroyed by opportunity before experience had taught them the tremendous value of honesty. Old men, with lifetime reputations at stake, have been wrecked by opportunity.

Auditing, with intelligent system suggestions, is at once proof of a man's honesty and a preventive of dishonesty. It is therefore both good policy and good business.

There are a score of ways in which men in charge of accounts may steal, yet keep their books in balance. Defalcations would never occur if the balance-sheet would show them.

Extensive defalcations are usually committed by persons who thoroughly understand the books and the business, who so cleverly cover them up as to tax the skill of the auditor to the utmost. Nearly every bookkeeper is capable of hiding defalcations, if he chooses to, from the man who merely scans the balance-sheet. He may not do it. Perhaps not one man in a thousand is dishonest. But the lack of a checking system surrounds the bookkeeper with such temptations as few other men encounter.

No banker can say that his employees are proof against the opportunities that have ruined other men. Bank accounting and morality require a checking system.

Good auditing, with fearless criticism of the system, is an absolute check; both a preventive and a cure.

Qualifications of a Successful Bank Examiner.

The successful bank examiner must be capable of detecting the slightest indication of irregularity.

He must be thoroughly posted on every detail of bank accounting and appreciate all safe methods.

He must know the relation of each and every department to another that he may take advantage of the slightest clew to error or fraud.

He must be familiar with all modern appliances for bank work to qualify in suggesting improvement of the system. He should be able to perfect all imperfect systems; save all waste labor and establish checks against errors. Be sure of his ability.

He must be proof against influence and serve only those who employ him. Be sure of his integrity.

He must of necessity learn most of the vital facts in your bank. Be sure of his secrecy.

He is worse than no account if you cannot rely on his findings. Be sure of his accuracy.

Engage some one who is responsible and has withstood all tests and investigated all systems. A public accountant's life study is system. He must know how to draft books to show the true situation of the business and how to arrange them so the least labor is required to keep them. A man who is a natural systematizer is a successful public accountant—he learns system from all men. In his work he checks over all the best sys-

tems in use. He not only thinks for himself, but his close contact with all the best and improved ideas of other men gives him exceptional advantages. A public accountant brings the result of all this experience to benefit the business which employs him. He suggests the best and most suitable system and applies it to the business. He simplifies existing methods in a manner that will be found most productive of results with a minimum of expense.

In banks these details are often left to the managing clerks, whose knowledge is confined to the merits of one system, and who have not the advantage of being able, by constant contact with other systems, to estimate comparative value, and adapt improvements and new features to their own system.

Officers of a bank, engrossed with important financial affairs, cannot divert much time to the study of accounting methods, although it is their plain duty to see to it that the bank is equipped with the safest and best system.

Defects of the Self-Proving Ledger.

Until recently it has been supposed by bankers that the so-called "self-proving" ledger was the best system of bookkeeping for individual accounts in a small bank. In the larger banks this system was crowded out some years ago. The term, "self-proving ledger," is a misnomer, as no form can be devised which will produce an automatic check on the accuracy of the posting.

The daily balancing feature of this system is the one that appeals to the bookkeeper, and for which many more important features have been sacrificed.

There can be no expansion for an account.

Alphabetical arrangement of accounts cannot be maintained.

There is a great liability of posting to the wrong account and the proof of the book will not reveal such errors.

Closed accounts cannot be eliminated.

Every balance must be forwarded daily whether changed or not.

Names must be frequently rewritten and accounts transferred to other pages, thus losing a continuous record of each account.

Officers desiring to review an account must trace through countless pages or have a statement drawn from the ledger.

To obtain the one balance footing, the bookkeeper must make all other additions by cross footing, which, to say the least, is unnatural.

Some of you may be using this system; if you are, I advise you to investigate other systems.

I hope none of my listeners are guilty of using the old method of journalizing before posting to the individual ledger.

I am sure the majority of you are still following the corner-stone method of balancing pass-books, as the depositors' monthly statement system for banks is an improvement of quite recent adoption. It is, however, fast supplanting the pass-book evil, which you all know has been the bookkeepers' nightmare. Furthermore, this statement system provides a daily audit, not only of the individual accounts but of each individual account separately.

Advantages of the Loose-Leaf System.

With the advent of the adding-machine and loose-leaf systems, great strides have been made in the improvement of bank accounting, particularly along the line of providing safe, sure checks on the keeping of depositors' accounts.

Loose-leaf systems are used extensively by the Government, by National, State and Savings banks, trust companies, building and loan associations, municipalities and courts of law, as well as by the representative mercantile corporations, who could not carry on the immense volume of business with the old-style records.

When originally introduced, the legality of loose-leaf accounting records was questioned by those long accustomed to the old methods. The courts have repeatedly held that loose-leaf records are binding and safe. The

powerful bonding companies of the world do not hesitate to accept the bond of those using properly devised loose-leaf account books, and upon the opening of the World's Fair National Bank, at St. Louis, the National bank examiner approved the system devised and installed by my company, which was entirely loose-leaf—not a bound book being used in the bank.

The advantages of a loose leaf ledger in a bank are:

It is perpetual, because it dispenses with the frequent transfer of the accounts. Once opened, no further extra labor of the bookkeeper is required.

All items of an account are kept together, no matter what length of time the account covers or how active it may be. Any officer of a bank can examine the account of a depositor on a loose-leaf ledger much more readily than he can on a Boston or any other style.

Live accounts only are retained in the current ledgers. All filled leaves and closed accounts are filed in the transfer ledger.

Quick reference, the division of index leaves being distributed through the book admits of locating the account much more rapidly; no separate index of any kind is necessary.

It saves time, posting and balancing, as only open accounts are dealt with and these are all properly arranged and their position is always the same.

Arrangement of accounts is absolutely alphabetical, and there are no transfers from one position to another.

No spacing is necessary. Each account is given a separate leaf. Active accounts, therefore, can have unlimited space and there is no estimating as to the amount of space an account may consume; therefore, no lost space.

Expansive; it admits of the insertion of new accounts from time to time as they are opened, in the proper place, without disturbing the others.

Easily handled; as both sides of the leaf are used for the same account, a much smaller sized book is used.

Facility; one person can work on a book containing 400 accounts, and if a bank has several thousand depositors, a number of binders can be had, so that they can be referred to by clerks without disturbing one another. The convenience of having a customer's account all together saves considerable of the bookkeeper's time, as formerly he has had to look through many old ledgers and trace back an account of several pages of each ledger.

Simplicity; a trial balance is more readily taken off, particularly so where an adding-machine is at hand.

Its adaptability to all classes of banking has made it beyond question the leading ledger for commercial as well as Savings banks, as it will accommodate any size or any change in volume of business that may be acquired.

Economy; in every case it costs far less in the long run, less in material, less in time and less in labor.

French Financial Conditions.—The striking feature of this year has been the extraordinary cheapness of money, a condition brought about by the issue of $77,200,000 of Russian five per cent. Treasury bonds in Paris in the spring, a large part of the proceeds having been left on deposit here to meet the coupons on the several issues as they fall due. This has produced a great abundance of money and has sent the rate of discount for bills on the open market as low as one to 1⅛ per cent. per annum.

The payment of $39,758,000 by the United States Government for the Panama Canal has also contributed toward the cheapening of money, besides having an influence on the dollar rate, which stood at the gold point, say about 5.15⅝ during May and the beginning of June, the period during which the above payment was effected.

There has been no change in the form of money in France. The nickel piece of twenty centimes (five cents) issued in 1903 was found to cause trouble by being mistaken for a franc piece, and no more will be stuck in the same form. The new twenty-five centime piece in nickel is not entirely round, but contains twenty-two facets.

The five franc piece in gold is becoming more rare, and a small premium is now offered by certain collectors for perfect specimens of these coins.—John K. Gowdy, *Consul-General, Paris.*

THE COMMERCIAL NATIONAL BANK OF HOUSTON, HOUSTON, TEXAS.

A bank, conservative and at the same time progressive, is the kind of a financial institution that business demands to-day; one that has always in view the fact that its primal consideration should be the safeguarding of the interests of its depositors, but which realizes that it likewise owes its stockholders a duty—that of returning them a just compensation for the

COMMERCIAL NATIONAL BANK BUILDING.

money they have put into the enterprise. A bank that works with these two principles constantly in view, balancing one against the other, and striving always to maintain the fine commercial equilibrium, is the one destined to stand the test of time and attain a place at the fore of commercial and financial circles. In other words, it is the ideal bank.

One of the best examples of a bank of this type to be found anywhere is furnished by The Commercial National Bank of Houston. It has always been known as a wide-awake, progressive, commercial bank, and yet its solidity would never, for one instant, be questioned by anyone who knows the least thing of its record and its methods of transacting business.

The Commercial National began business July 1, 1886, with a capital of $200,000.00, and since its very inception it has been a healthy, growing, and a paying institution. On October 1, 1902, the capital was increased

to $300,000.00, and since that time the march onward and upward has not slackened. It pays a quarterly dividend of three per cent., making a total of twelve per cent. during the year; and, in addition to this, has accumulated surplus and undivided profits of nearly half a million dollars.

That the investment has been profitable to the original stockholders needs not be added, but this is forcibly impressed when it is pointed out that those who got in on the ground floor have received in dividends one and one-half times the money they put into the institution, and, in addition, have seen their stock appreciate in value until now it is quoted at $325.00 per share. What better investment could a conservative business man desire?

W. B. CHEW,
President Commercial National Bank, Houston, Texas.

During recent years the growth of the bank has been especially rapid. Its modern methods and its facilities for transacting business have won public favor, as is shown in the rapid increase of its deposit column. The last official report to the Comptroller of the Currency, dated November 10, 1904, shows deposits of $3,432,850.00; its surplus and profits at that date being $480,550.00, with total resources of $4,513,400.00.

As its President and controlling spirit, the Commercial is exceedingly fortunate in having Mr. W. B. Chew. Mr. Chew was one of the original directors, and in 1889 was made Vice-President. In 1891 he was elevated to the position of President, which position he has filled continuously since. Mr. Chew takes an active part in the management, and is regarded as one of the best financiers in the South. He has other large interests in Houston, and is one of its most conservatively progressive citizens.

Mr. F. B. Gray, the Cashier, prior to his connection with the Commercial National, was for nearly six years National Bank Examiner, cover-

COMMERCIAL NATIONAL BANK, HOUSTON, TEXAS.
View of the Interior.

COMMERCIAL NATIONAL BANK, HOUSTON, TEXAS.
Glimpse of the Cashier's Office.

ing the territory embraced by Texas, Arkansas, Oklahoma, Louisiana and Indian Territory. In June, 1902, he was called to assume the Cashiership of the Commercial, and his experience, together with his wide acquaintance among bankers of the Southwest, has been invaluable to him in the performance of the duties devolving upon him in his responsible position.

The other officers of the bank are: Jas. A. Baker, Jr., and J. S. Rice, Vice-Presidents, and Geo. L. Price and W. E. Hertford, Assistant Cashiers.

The directory of the bank is composed of some of the most successful business men of Southern Texas, who lend the bank much valuable aid. Following is a list of the board: E. W. Sewall, W. M. Rice, Dr. S. C. Red, J. V. Neuhaus, Thornwell Fay, J. S. Rice, Jas. A. Baker, Jr., W. B. Chew, R. S. Lovett, Jno. M. Dorrance and C. H. Markham.

A striking evidence of the bank's progress is to be found in its new home, of which it has but recently taken possession. It is a fine modern office building, representing an expenditure of nearly $350,000.00. The bank occupies the larger portion of the ground floor, with storage vaults in the basement, the upper stories being entirely filled with a fine class of office tenants.

The management and shareholders of this worthy institution are to be congratulated.

FORT WORTH NATIONAL BANK.

Reference has been frequently made in these pages of late to the remarkable growth in the production of commodities in the South. In all the varied activities that make up a country's wealth the South is showing a degree of enterprise that is adding rapidly to the prosperity of that section of the United States. Texas, with her vast area and large and increasing population, is not only sharing in this prosperity, but is strongly contesting for the leadership.

This development is not speculative, but is steady in character and based upon the surest foundations. The banks of Texas—the most of them operating under the National system—are adding substantially to their earnings, and are generally taking advantage of this favorable opportunity of strengthening their surplus. This is notably true of the Forth Worth National, which has $300,000 capital and $360,000 surplus and profits.

This bank was organized in 1874 as a private bank by Thomas A. Tidball, K. M. Van Zandt, J. P. Smith and J. J. Jarvis, under the style of the "Tidball, Van Zandt & Co. Bank," continuing to do business as a private bank until January, 1884, when it was merged into the present institution—the Forth Worth National Bank—with the following officers: President, K. M. Van Zandt; Vice-President, Thomas A. Tidball; Cashier, Noah Harding. Since becoming a National bank the only change made in the officers has been in the office of Vice-President, R. L. Ellison having succeeded Mr. Tidball. The Assistant Cashier, L. C. Hutchins, was with the old firm of Tidball, Van Zandt & Co. from 1877.

The Fort Worth National Bank is now in the second term of its charter, having completed the first twenty years December 31, 1903.

An illustration of the building of the Fort Worth National is shown on another page. It is a seven-story modern fire-proof structure. The foundation is of vitrified brick, built up from solid rock. Steel construction was used on the interior, and the exterior of stone for the first two stories and pressed brick for the others. All corridors and halls have ceramic tile floors, and white Georgia marble wainscot, about four feet high, with Florentine glass up to the ceiling, making the halls and rooms particularly light. Stairs are of steel, with ornamental cast iron balustrades, mahogany hand-rails, and Georgia marble steps. The main entrance hall has marble walls, about twelve feet high, with vaulted ornamental ceiling. The banking room has marble mosaic floor, marble wainscot, marble columns, and

rich arched and paneled ceiling with plastic roof, ornamented beams and panels. The woodwork for finish and doors in banking room, all halls and lavatories are of mahogany, and for all offices are of rich golden oak.

There are two modern type electric elevators, and also a first-class power plant consisting of duplicate boilers, engines and generators.

The artesian well in the basement furnishes ample supply of water throughout the building, and all offices and lavatories on each floor are furnished with both hot and cold water. There is also a handsome marble drinking fountain on each floor, furnishing ice water at all times through a circulating system, from the basement.

FORT WORTH NATIONAL BANK BUILDING.

The banking room is a model in design and richness, as well as convenience. The fixtures are of white pencil-veined Italian marble, with Alps green base and cap, and mahogany cornice and screen, filled in with rich design of solid bronze grille, finished in brass.

The vaults are of white marble, capped with a rich plaster cornice. The burglar doors are finished in bronze, with nickel trimmings. The cash vault and safety deposit vault are lined with chrome steel.

There are provisions for telephones, and telegraph calls, in all offices, and inter-communicating telephone system, connecting all floors with engineer's room in basement, and also electric fans and lights. There is also a U. S. mail chute to all floors.

The deposits of the Fort Worth National have been growing steadily and at a gratifying rate. They now amount to about $2,500,000.

USEFUL FORMS FOR CARD SYSTEMS.

In the effort of modern business to keep pace with the telegraph, the telephone, the sixty-mile-an-hour flyer and the ocean-greyhound, every time-saving method must be used. Inventors and students have not neglected the bankers when bringing out their inventions and time-saving contrivances, neither has the progressive banker neglected nor disregarded the inventor and student. For proof of this go to any well conducted bank and see the various machines and record-keeping devices in use.

The result of the use of the new appliances is that the bank officer is not overwhelmed with details, as he would be otherwise. A visit to the large banks in any of the banking centers will surprise many a banker or business man. The time an officer of a modern bank will willingly give to a visitor to talk with him, show him the bank, or explain its workings, would surprise many.

But that is the way many of those who have a large line of deposits, and necessarily much work to do, treat their visitors. I know where an officer of a large New York banking house gave the whole of a Saturday morning to the representative of a much smaller institution who had called to inquire about some of the methods of work. This is only one of the many similar cases. It may be asked how they can afford to give so much time, and you may then answer by saying that they have so many officers that some of them have nothing to do and are glad to spend their time that way. There may be cases of that kind, but they are few. The true reason is that they employ every practicable method to save time and labor, and every device for keeping records in a concise and convenient form, so that many steps, many searches, many anxious thoughts and many trips for inquiry are made unnecessary each day and the time can be given to other matters.

Among the foremost of the time and labor-saving devices is the "card system" for records of various kinds. These cards seem to have come into the business world to stay. The loose-leaf system has taken their place in some ways, but it is not likely to do so in others. The cards have many advantages, some of which are convenience, elimination of useless or dead matter, and compactness.

In making these suggestions—and they are only suggestions, for none of the forms presented are in actual use—it is believed they will be appreciated by many who have no time to work out forms for the various uses. Some will not appreciate them, because they prefer to cling to the old method of keeping all records in books in the "good old way" that many bankers have discarded.

The old ways of keeping records were either incomplete or almost inaccessible and deficient in details and results. But the new ways in use are easy of access and complete, so much so that a man can get more pleasure and satisfaction out of his work, and much more time for thought, study and vacation.

In an article published in the April, 1904, MAGAZINE a set of cards were shown for signatures and stop-payment orders. These were to be kept in the paying-teller's department, but the information they are to hold is such that it ought to be kept in some form convenient for the officers to refer to when wanted. There are not many officers who can carry the details of all the accounts in their memory, and even if they could it would be unwise to so tax the mind.

There were four cards in that set for signatures—one for banks, one for individuals, one for firms and another for corporations or trust companies. But for the officers' department one form of card would be sufficient for the information on the four. The one shown in Card I. will answer for the purpose. When a card has been signed by the party opening the account

OFFICERS MEMO.

Name John C. Leight Date 12/1/03
Address 333 East 10th St.

Business Builder Account opened.
11/30/03

Members of firm or officers
No one associated with him.

Remarks Builder of office buildings.
Will keep good balance and at
times need short time loans

Introduced by Ed. C. Smith.

CARD I.

it is headed and then filed in the cabinet at the teller's department, but before turning it over to that department one of these cards should be filled out and filed in the same order as in the teller's cabinet, but the cabinet for these should be either in the officers' room or in a place where it would be convenient. This card should not only give the information on the signature card, but more, as the officers would need more. The illustration given shows the memorandum from an individual card. It tells his specialty in building, that he will keep a good account and at times need short-time loans.

In tne case of a firm the card should give the names of all the members and, if possible, the amount of capital each has invested, besides other information that will suggest itself, or come unsought but be worthy of noting. If a corporation all the officers should be noted, although only one or two sign the checks; also the capital and other information.

In the article referred to there was also an introduction card to be used by stockholders, depositors and friends in introducing parties to open an account with the bank. If this method or any similar one is used a record should be kept of those introduced by the various friends who are interested enough to recommend the bank. For the purpose of keeping such a record Card II. is suggested as it gives a simple and clear method. If you should desire to keep the names of those who are introduced for the purpose, but have not yet opened the account, it can be done on this space and leave the date space open, but it can be done better on the "desirables" card, shown next. Addresses can be written following the names, if desired.

If the friends of the bank know that such a record is being kept they will, very probably, show more interest in getting new business for the bank. They will be somewhat anxious to have their card filled up and be careful whom they recommend. It is not wise either to depend too much on friends to bring the new business, or entirely to neglect this source of help, and when it does come some record should be made of it, and this is a good way to keep it.

Part of the daily work of the banker is to be on the lookout for new accounts, for by these the bank is helped to grow, the better the account so much the better for the bank. It is not simply the accounts that are wanted, but the ones that keep good balances; for too many keep accounts with banks and do not keep enough balance to pay for the work and stationery the account requires.

The work of getting new accounts is sometimes given into the hands of

INTRODUCTION MEMO.

Ed. C. Smith

INTRODUCED THESE WHO OPENED ACCOUNTS

NAME	DATE		
Geo. N. Wright	June	10	'03
L. M. Brown	"	30	"
Sam'l Simpson	Aug	15	"
E. N. Welch	Oct	2	"
John C. Leight	Nov	30	"
Ira Snyder	Dec	5	"

CARD II.

one or more certain officers, but most banks are not large enough to have special officers for this purpose, so the Cashier, President, directors and clerks do what they can.

Some system should always be used in the effort to get new business, and it should be a system that would show both the procedure and the results. It is not wise to have a system that is spasmodic in its endeavors, nor one

DESIRABLES.

		DATE 10-1-'04
NAME	Williams Mfg. Co.	CALLED
ADDRESS	Buffalo, N.Y.	10-1
		10-17
BUSINESS	Electrical Supplies	11-3
STANDING OR RATING	First class	
ACCOUNT WITH	United States Nat'l	
RECOMMENDED BY	Leonard Brownley	
LETTERS	10/1 10/15 Nov 1 Nov 15	
PRINTED MATTER	10/1 10/7 10/22 11/7 11/18	
ACCOUNT OPENED WITH US	Nov. 20-'04	

CARD III.

that if no encouragement were received at the first approach the man would be dropped as if he were not wanted, or as if the firm had failed, or the bank had gone out of business. Such treatment does the bank no good and is certainly not appreciated by the other party. The effort to get business

should be manly, earnest, persistent and honorable, and withal systematic.

To have it systematic some method of procedure should be adopted. I will suggest one. For the purpose of having a distinguishing name, those whose accounts are wanted will be called "desirables." To keep their case before you and to know what has been done to get the business the use of the card called "desirables" (Card III.) is suggested. This gives a record of the person, firm or corporation whose account is desired, with places to give dates on which anything has been done to secure the account, also place for remarks, where can be stated the progress and the result of the effort. See how it is worked out on the illustrated card. It is expected that the bank, like a business house that makes special effort to secure new business, has printed matter that will set forth the advantages of the bank and its special departments. These should be gotten up in attractive style with impressive reading matter.

A call on a desirable need not be with the outspoken purpose of getting the account, but in a way that will stir up interest in the party for the bank.

COLLECTION ITEMS.

NAME Chicago Leather Co.

ADDRESS 119 State St., Chicago

DATE	NO. ITEMS	PAID	RET'D	COST	EXCH.	DATE	NO. ITEMS	PAID	RET'D	COST	EXCH.
1/10/04	3	1	2	.06	.25	6/10/04	1	1	0	.10	1.50
1/20	5	1	4	.20	.25	25	8	0	8	.20	.00
2/1	10	3	7	.28	.75	7/15	10	3	7	.30	.75
2/15	2	0	2	.06	.00						
2/25	3	2	1	.10	.50						
3/10	6	3	3	.20	.50						
4/2	1	1	0	.10	1.00						
15	5	0	5	.12	.00						
5/1	15	3	12	.50	.75						
15	4	3	1	.10	.25						
6/1	10	2	8	.25	.50						

CARD IV.

A letter might follow the visit calling attention to one feature of the bank that would appeal to him. Every letter sent to a desirable should be personal—not a circular form nor "syndicate" matter—if good results are expected. This may require more work and expense, but it is better to give more work and have more expense if good results follow, than to give only little work and small expense, with meagre results.

The printed matter to be used would be statements, folders, booklets, cards and anything else in this line that is brief, pointed and attractive.

Many business houses send their drafts and notes for collection direct to a bank in the town or city where they are payable. This custom is growing and has the advantage to the sending party that the returns are more prompt than they usually are if deposited with their bank, because so many items given to the banks go through one or two, sometimes more, banks before reaching the place payable. This, on the part of the bank, is usually to save exchange, and in this they cannot be blamed if they do not charge their customers for the items handled.

But these drafts and notes are at times a source of trouble and expense to the banks, so much so that some banks refuse to receive them unless they come through a bank.

Very often the banks do not keep a record of transactions with each

sender to know whether it pays them or not. But such a record can be kept very easily on a form like Card IV. This card is not to take the place of the draft or register or tickler, but to be a supplement to them for ready reference, and by which it can easily be told whether the bank is losing or making by handling the drafts and notes from the various houses. In the case illustrated on this card it will be seen, by adding the cost column and the exchange, that the bank has profited to the extent of $4.43. The charges in the cost column include postage and car fares; those in the exchange column are the amounts deducted when remittances are made. The other columns show date items were received, number of items, and the number of those paid and returned.

A Substitute for the Stock Ledger.

The stock ledger in a bank is a very important book, but after a book has been in use some years and many transfers have been made it becomes quite a mixed up book in the matter of order of the accounts. No man

Stockholders Record Card.

Name John V. Varley

Address 1031 N. 20th St.

Philadelphia

Dr.				Cr.						
Date	Cert. No.	Price	Shares	Date	Cert. No.	Price	Shares	Balance		Dividend
11/10/03	783 1070	135	25	1/2/03	365 783	120-	25			
				5/15/03	540 951	125-	50	5/15	75	375-
				11/1/03	276 1060	130-	50	11/15	100	500-

Card V.

can tell three or five years in advance how many with names beginning with A, B or C will buy stock of the bank during that time, so it is impossible for him to tell just how many places will be needed for each letter. The card system or the loose-leaf system makes such a forecast entirely unnecessary, for no matter how many or how few there may be they can always be placed in their proper alphabetic order.

The illustration of Card V. has been designed to take the place of the bound stock ledger, but it does more than take its place and does better than the old style ledger could possibly do. It serves a better purpose in that it contains far more information in a much better form. It gives the credit and debit of the number of shares transferred to or from each holder, and the balance in his name with the amount of dividend payable on his holdings at the rate paid at the time of balance. On the credit side the certificate number on the line is the number of the certificate issued in his name, while the number above in smaller figures shows the number of the certificate on which the transfer was made.

On the debtor side of the certificate number on the line is the number of the certificate issued for what he sold, and the smaller figures above show the certificate with which he parted. From these numbers the names, if wanted, can easily be found on the stubs of the certificate book.

Another interesting feature of this card is the place for the price paid or received for stock. This information may not be needed, but it will often be found to answer questions that arise in regard to the price of the stock at certain times or on special occasions. But that is not all, for the back of the card can be used for a good purpose. If your dividends are payable on demand the back of the card can be used for record of the payment, giving date, amount and signature of the one who collects it. If checks are mailed the card gives the name and address, as well as number of shares and amount of dividend. This card is more complete than any ordinary stock-ledger could be.

Record for Check Books.

Just one more suggestion, and this one a record for check books. Check books are a very essential part of our American system of commercial banking. They are usually furnished to the depositors without charge by the bank, but some depositors have their own checks printed for which they bear the expense, and sometimes they have the bank get up a special check for them at the bank's expense.

It is quite usual for depositors to send an order to the bank to have a check book made like the former one, without stating what kind they use—they suppose the bank officials know. Sometimes they do know and sometimes they do not, and then have to look it up. Some banks require a

CHECK BOOK RECORD

C. C. Pearson Co

Style A 4 Imprint 750		Ordered	Deliv'd
New style No 635 11/15/04	1	1/15/04	2/10
	2	5/1/04	5/20
	3	8/25/04	9/10
	4	11/15/04	12/10
Numberings 1. 1 to 400. 2. 401 to 800,	5		
3. 801 to 1200. 4. 1201 to 1800. 5. to	6		
. 6. to 7. to	7		

CARD VI.

check from the check book in use to be sent with the order, but a bank with modern appliances would not require it. Record can and should be kept of all check books issued to depositors, and for this purpose Card VI. has been prepared.

This card gives place for style of book, numberings for each book, date ordered and date delivered. Almost every bank issues check books, of different style and size, and each bank knows its various books by some distinctive name or number. In the case here illustrated the style of the book is A 4, and the imprint placed on the checks is known by number 750; and it could be referred to without any trouble, because a blank check with that number would be kept at the bank and at the printing office under this number. This style was used for the first three books, then a special style was ordered with checks especially gotten up for them, giving a

personality to them. It is known as No. 635, and under this number would be found details of the check and a copy of it.

This method will save the bank trouble when a check book is ordered, for the Cashier, or the one who takes the order, simply has to refer to the card in the card index drawer and from it get the number of style and imprint and the next numberings to be placed on the checks, send the same to the printer, and mark on the card the date ordered. Then when the book is completed and delivered, mark date of delivery.

With this method, when you get a postal, as you sometimes do, saying, "Make us a new check book," and signed by a depositor, it will be a very easy matter to order it. If it is a 'phone order the result will be the same.

Then, too, this method will show you exactly how many check books each account uses in a year, and by that you can tell what expense the account is to you in this way.

C. W. REIHL.

CANADIAN SAVINGS DEPOSITS.—The following letter from D. M. Stewart, General Manager of the Soverign Bank of Canada, recently appeared in the "New York Sun":

"The Department of Commerce and Labor at Washington, through its Bureau of Statistics, has just published a statement regarding savings deposits in different countries which, so far as Canada is concerned, is very misleading. The figures given for Canada are as follows:

Number of depositors	213,638
Total deposits	$60,771,128.00
Average deposit	289.14
Amount per inhabitant	10.99

In the first place no date is given, but as a matter of fact the above figures should be dated June 30, 1903. Comparatively few Canadians deposit their money in the post office or Government savings banks, and therefore the figures quoted do not reveal different degrees of what might be termed the 'saving capacity' of the people of this country. The Canadian banking system is so thoroughly developed and understood that the people place the great bulk of their savings in the chartered banks, as will be seen from the following figures, which are taken from the Government report of Oct. 31, 1904, and are therefore absolutely correct:

Savings deposits in chartered banks	$315,323,000
Post office Savings banks	45,287,000
Government Savings banks	16,634,000
Special Savings banks (under Government supervision)	23,542,000
Total	$400,786,000

Besides the foregoing, there are other savings institutions whose deposits aggregate over $20,000,000, so that the total of what may be called the legitimate savings of the people of Canada amounts to not less than $420,000,000, instead of $60,000,000, as quoted by the Department of Commerce and Labor.

The post office and Government savings banks are the only institutions that publish the number of their depositors, so that it is impossible to ascertain definitely the average deposit. I can, however, speak for one of the chartered banks (the Sovereign Bank of Canada) of which I am General Manager, and this institution has over $5,000,000 of savings deposits divided among some 24,000 depositors, or about $209 per head. If this is any criterion, the savings depositors in all the chartered banks of Canada would exceed 1,000,000 in number. I think I am on the safe side when I say that we have at least 1,500,000 savings depositors in Canada, instead of 213,000 odd for which the Department of Commerce and Labor gives us credit.

Taking only the figures above quoted from the official returns of Oct. 31 ($400,786,000), we find that the amount per inhabitant in Canada is $72.87 instead of $10.99, the figures given by the Department of Commerce and Labor."

REVIEW OF CANADIAN BANKING, COMMERCE AND MANUFACTURES.

The most important event of the past three months in the Canadian commercial world has been the holding of the general Parliamentary elections, on November 3, resulting in the return to power of the Liberal Government led by Sir Wilfrid Laurier with a majority of seventy members—the largest majority ever secured by a Liberal Government in Canada.

The endorsation of the former Administration, as well as preventing any possible trade reverses which might arise through a radical change in the tariff policy of the Dominion, has given a great impetus, especially to those industries which will benefit from the construction of the new Transcontinental Grand Trunk Pacific Railway.

This enterprise, which was the chief issue in the recent campaign, will immediately be undertaken by the Government, and in its construction and the increasing Western trade which will undoubtedly follow, will materially benefit the general trade of Canada during the next four years.

This, however, is only one factor in the situation. Conditions, generally speaking, are particularly bright. That this is realized beyond the borders of Canada is evidenced by the large influx of capital from both the United States and Great Britain, covering investments in manufacturing and other industries, and in many cases taking advantage of the splendid water power available for the development of the country's resources.

General Condition of Business.

A few months ago many people in Canada were a little dubious as to the financial and commercial outlook in this country. The crash in the stock market and the check to trade across the line were regarded with something of anxiety; people of conservative tendency assumed a cautious attitude.

Gradually, however, the outlook brightened. The harvest, on the whole, proved an excellent one in the United States, and a pretty good one in Canada. The Western Canada wheat crop is estimated to be worth $10,000,000 more to the farmer than that harvested last year. The period of depression, sometime ago regarded as possible, has not made its appearance; the old confidence in the future has again developed, and the general business of the whole country seems to be going forward with a good swing.

One proof of the upward tendency referred to is the immensity of current bank exchanges. November bank clearings in Toronto exceeded those for the same month last year by $24,000,000. Montreal reports an increase of $19,000,000 and Winnipeg a growth of $7,000,000 for the same month. In fact, in the matter of the volume of bank business in Toronto, the November just past holds the record for all previous months, and the year which closed on December 31, can boast by far the heaviest returns in the history of the Toronto Clearing-House. This is the more satisfactory when it is remembered that owing to the snow blockade of the early portion of the year, the general trade of the country was almost paralyzed for two or three months. This year's fine aggregate is due not to unhealthy gambling on the Stock Exchange as in 1902, but to legitimate financial and commercial extension. An idea of the remarkable development in this respect during the past few years may be gained from the following statement of the total bank clearings at Toronto from 1897 to 1904:

1897	$371,456,867
1898	$437,661,654
1899	$504,872,846

1900	$513,696,401
1901	$625,271,306
1902	$809,078,559
1903	$808,748,260
*1904	$829,000,000

*December estimated.

The joint note circulation of Canadian banks has recently very nearly approached the legal limit therefor. The business of the country has apparently pretty well taxed the combined resources of these institutions. The cutting down of call loans both here and abroad, and the recall to Canada of many millions of dollars formerly employed in the United States constitute further conclusive evidence of the expansion of business in the Dominion.

The steadily increased earnings of two of our great national railways are indicative of commercial progress. Although the Grand Trunk has continued to report decreased revenue, the traffic receipts of both the C. P. R. and the Canadian Northern persist in growing larger. This is a cheering consideration, despite the circumstance that the significance of such increases is lessened by the fact that each railway has now a larger mileage to earn profits upon that it had formerly. Again shareholders in both the Canadian Pacific and Grand Trunk have reason for satisfaction in considering that we are approaching a period when earnings will compare with a series of very poor exhibits. Owing to the inclement weather prevailing during the early portion of 1904, the receipts of the Canadian Pacific and the Grand Trunk for January, February, and March fell $624,000 and $1,265,000 respectively short of the returns for the corresponding season of 1903.

Public Revenue and Expenditures.

The revenue for the first four months of the current fiscal year, terminating October 31, was less than for the same period of the previous year, amounting to $23,513,263.

The expenditures, both the ordinary and capital, show an increase. The surplus of ordinary revenue over ordinary expenditure was $10,060,318. Over all expenditures combined the surplus was a little over $7,000,000. The receipts in detail were:

	1903.	1904.
Customs	$14,418,173	$14,372,385
Excise	4,305,284	4,130,740
Post office	1,350,000	1,400,000
Public works	2,768,515	2,762,960
Miscellaneous	893,741	847,176
Total	$23,735,715	$23,513,263

The ordinary expenditure for the four months was $13,452,945 as compared with $9,227,919 for the same period of the previous year. The capital expenditure totaled $2,943,054, as against $1,226,763.

Prospective Revision of the Tariff.

There are many evidences in Canada of a growing desire on the part of Canadians to protect home industries, and it is confidently expected that, while the general policy of the Government has been approved, they will proceed in the near future with a general revision of the tariff which was foreshadowed in the last budget speech of the Minister of Finance, and referred to throughout the recent compaign. There is no question as to the tendency of the changes. Provision will be made to continue the British preference, and there will undoubtedly be a general increase in the duties on "foreign" importations. The new tariff will consist of three schedules—a minimum, a general, and a maximum tariff, looking to an increased development of home industries, and the purchase of a much larger quantity of surplus requirements from British, rather than from foreign sources.

The complicated fiscal device—The "Anti-Dumping Law"— to prevent manufactured articles from being imported into Canada at undervaluations, seems to have the virtue of inclining manufactories in the United States

to establish branches in Canada instead of sending in their goods. The cutting of prices for Canadian buyers can no longer be practiced successfully, and in order to keep the Canadian market several firms are already establishing branches on this side of the line. These will not likely be isolated instances, for the practice of undervaluation has been notorious and widespread.

There are complaints from British manufacturers against the complications of the process of certification of goods intended to pass the Canadian customs. It is unfortunate that such a process has been forced on this country, but there seems to be no help for it, since there has been no general tariff revision.

Canadian Trade.

The farmers of Canada received about $5,750,000 less for their dairy produce this year than in 1903, largely owing to the low price of cheese, according to statistics compiled upon the close of the season's shipping. So far as value received was concerned it was the poorest year since 1896. The number of boxes shipped was 2,114,639, as compared with 2,395,932 for the preceding year, and the average price per box was $6.90, compared with $9 for the previous year. This figure makes the total value $14,379,545 against $21,563,388 a year ago. The butter business was more satisfactory, being 490,300 packages at an average of $12.90 per package, compared with 338,277 packages at an average of $14.20 last year. The total value was $6,324,000 compared with $4,803,000.

The following table will show how the exports for the first three months of the present fiscal year compare with those of the corresponding months of previous years:

1895	$35,373,730	1900	$59,459,682
1896	38,642,010	1901	55,948,525
1897	47,806,924	1902	60,948,282
1898	43,465,085	1903	66,980,499
1899	50,928,464	1904	58,949,536

We find that the exports from the mine, the forest, animal produce, and agricultural products, decreased, while those from the fisheries, manufactures, miscellaneous, and coin and bullion slightly increased. The total for the three months of the current year was made up as follows:

The mine	$9,447,446
The fisheries	2,905,941
The forest	11,126,028
Animal produce	20,920,937
Agricultural products	8,258,717
Manufactures	5,727,443
Miscellaneous	135,615
Coin and bullion	427,409
Total	$58,949,536

Out of this sum $35,707,485 was for exports to the British Empire, and the balance, $23,242,051, to foreign countries, of which the United States took $20,408,981, as against $21,059,361 in 1902, and $21,534,740 in 1903.

For the same three months the imports amounted to $65,585,665, as against $66,895,837 in 1903 and $51,505,768 in 1902. These imports were taken from the British Empire to the amount of $18,279,053, and from foreign countries to the amount of $47,306,612 of which the United States supplied $40,021,784.

The imports for these three months were made up as follows:

Dutiable goods	$38,408,683
Free goods	23,248,938
Coin and bullion	3,928,044
	$65,585,665

Trade Between Canada and the United States and Canada and Great Britain.

A comparison of the Canadian figures of imports for consumption for the early years, beginning with 1873, with those of more recent years, shows

that the importance of the mother country as a purveyor of goods to the Dominion has considerably decreased. In 1873 the share of the United Kingdom in the total import trade of the Dominion exceeded 54 per cent.; in 1883 it was 42.3 per cent. In 1893 this share had fallen to 35.5 per cent., and in 1897 to 26.4 per cent. The preferential tariff legislation since 1897 in favor of the United Kingdom was followed by a considerable increase in imports from that country, the import figures for 1903 being more than double those for 1897. During that period the total imports increased at a greater rate, so that for 1903 the relative share of the United Kingdom in the total import trade of the Dominion had increased to 25.2 per cent.

The export trade of the Dominion with the United Kingdom shows a different development. Since 1873 there has been an absolute growth of exports to the mother country from $38,743,848 to $131,202,321 or 238.6 per cent. In 1873 43.2 per cent. of the total exports were to the mother country; this share was 52.1 per cent. in 1880, 56.1 per cent. in 1900, and 58.1 per cent. in 1903.

The trade with the United States for the same period shows an even larger growth. It should be noted that, as in the case of the United Kingdom, the development has not equally affected both the import and export trade with the two countries, but as distinct from the trade with the United Kingdom the trade with the United States shows large gains on the export side. The increase between the years 1873 and 1903 of the imports into Canada from the United States, from $47,735,678 to $137,605,195, amounts to over 188 per cent., while the exports for the same years show an increase from $42,072,526 to only $71,783,924, or 70.6 per cent. Of the total imports for consumption the share of the imports from the United States constituted 37.4 per cent. in 1873, 40.9 per cent. in 1880, 46.2 per cent. in 1890, 60.7 per cent. in 1900, and 58.9 per cent. in 1903. Of the total exports the shares sent to the United States during the same years were 46.9 per cent., 37.9 per cent., 41.9 per cent., 35.7 per cent. and 31.8 per cent., respectively.

Rail and Water Transportation.

The total number of vessels on the registry books of the Dominion on December 31, 1903, including old and new vessels, sailing vessels, steamers and barges, was 7,020, measuring 683,147 tons, register tonnage, being an increase of 30,534 tons register as compared with 1902. The number of steamers on the registry books on the same date was 2,419, with a gross tonnage of 338,251 tons. Assuming the average value to be $30 per ton, the value of the registered tonnage of Canada on December 31 last would be $20,494,410. The number of new vessels built in the Dominion of Canada during the last year was 328, measuring 30,323 tons register tonnage. Estimating the value of the new tonnage at $45 per ton, it gives a total value of $1,364,535 for new vessels.

The perfecting of the pilotage system on the St. Lawrence is a question of the first importance to the commerce of the Dominion. For seven months of the year this route gives Canadians an advantage over their competitors in the United States. It reduces the rail haul of Western products by 290 miles, as compared with Portland, which otherwise has an advantage of 192 miles as compared with St. John by the Canadian Pacific short route, and 285 miles over the Intercolonial. Canada has a priceless asset in the St. Lawrence. This route, however, so far has been handicapped by an inadequate pilotage system. This difficulty is being removed, and soon this line will be as safe as any other.

Growth of Manufacturing.

The manufacturing industries are prospering as never before. This is due to the general prosperity of the country, to a growing desire on the part of Canadians to purchase the products of home industries, and to the recent "anti-dumping clause," already referred to.

The wool and cotton industries continue to be depressed owing to the exceedingly large importations. These, however, are exceptional, the large majority of the industries being in a flourishing condition. The iron and

steel trade shows marked signs of improvement, the stock of Dominion iron and steel having risen several points during the past three months, The Lake Superior Corporation, comprising the Clergue industries at Sault St. Marie, is showing considerable activity. Their steel mill has sufficient orders on hand to keep the plant in operation for the next seven months. The tin-plate industry is being established at Morrisburg, Ontario, a large English company having commenced the erection of their plant. Every week sees the influx of capital in some new manufacturing plant, and the prospects for 1905 are exceedingly bright.

A striking example of development in Canadian manufacturing is the growth of jewelery manufacturing in Toronto. Ten years ago there were nine manufacturing jewelery concerns in that city, employing 214 hands in all; to-day there are in these same factories 948 hands, and this, too, nearly all skilled labor. Adding three other firms engaged in the manufacture of silver plate and watch cases, the number of employees is 1388, as against 489 in 1894.

Banks and Banking.

To return to the subject of Canadian banks, we are told that United States investors have of late been endeavoring to pick up blocks of stock in these leading institutions. Some months ago quite a large part of the new Royal Bank issue was bought up by Chicago investors. One individual American recently offered $100,000 for investment in the stock of one of our leading banks. It may be explained that these buyers and would-be buyers represent firms which appreciate the future of this country, and wish to get into touch with the leading financial institutions. They desire to be in a position to share in the many important Canadian bond and security flotations, that, in the course of the country's development, the coming years are believed to have in store. The recent placing of a $5,000,000 Canadian Northern Railway bond issue through a New York house is an indication of the attitude of American capital towards Canada. It is also to be remembered that a Grand Trunk Pacific issue of $14,000,000 has just been taken up by a large international house having offices in both London and New York.

The need for an increased bank note circulation was emphasized by recent statements of Canadian chartered banks. In October the bank note circulation of these banks was the largest in their history totalling $72,716,817, far the highest from each bank at any time during the month against the paid-up capital of $79,747,011. The development of the west is expected to call more and more on the facilities furnished by banks for business. The construction of the G. T. P. and extension of the Canadian Northern will be accompanied or quickly followed by the opening of new branches all along these lines. The following is the report of the chartered banks at the last statement:

Liabilities.

Capital authorized	$100,546,666
Capital paid up	79,747,011
Reserve funds	52,480,152
Notes in circulation	72,216,306
Dominion and Provincial Government deposits	8,281,716
Public deposits on demand in Canada	130,969,564
Public deposits at notice	315,323,431
Deposits outside of Canada	33,200,104
Bank loans or deposits from other banks secured	963,456
Deposits made by and balances due other banks in Canada	6,019,329
Due to agencies of the banks or to other banks or agencies in the United Kingdom	4,866,137
Due to agencies of the bank or to other banks or agencies elsewhere than in Canada and the United Kingdom	2,845,426
Other liabilities	8,210,034
Total liabilities	$582,905,579

ASSETS.

Call and short loans on stocks and bonds in Canada	$36,233,712
Call and short loans elsewhere than in Canada	44,603,469
Current loans in Canada	416,344,885
Current loans elsewhere than in Canada	19,426,308
Loans to Provincial Governments	2,547,759
Overdue debts	2,358,554
Real estate other than bank premises	793,193
Mortgages on real estates sold by the bank	731,310
Bank premises	10,336,420
Other assets	6,054,756
Total assets	$726,963,269
Aggregate amount of loans to directors or firms of which they are partners	$9,933,136
Average amount of specie held during the month	16,848,041
Average amount of Dominion notes held during the month	35,120,194
Greatest amount of notes in circulation at any time during the month	72,716,817

Editor Bankers' Magazine: Buffalo, N. Y., Dec. 17, 1904.

Sir: For the purpose of settling a dispute, will you be kind enough to give me an official answer as you understand it, to the following question. Is it necessary to protest a check to hold the maker? Assistant Cashier.

Answer.—By section 321 of the Negotiable Instruments Law it is provided that, "A check is a bill of exchange drawn on a bank. Except as herein otherwise provided, the provisions of this act applicable to a bill of exchange payable on demand apply to a check." Section 160 provides, "Except as herein otherwise provided, when a negotiable instrument has been dishonored by non-acceptance or non-payment, notice of dishonor must be given to the drawer and to each indorser, and any drawer or indorser to whom such notice is not given is discharged." Section 189 provides: "Where any negotiable instrument has been dishonored it may be protested for non-acceptance or non-payment, as the case may be; but protest is not required, except in the case of foreign bills of exchange." And by section 213 it is provided: "An inland bill of exchange is a bill which is, or on its face purports to be, both drawn and payable within this State. Any other bill is a foreign bill. Unless the contrary appears on the face of the bill, the holder may treat it as an inland bill." From this it will be seen that when a check has been dishonored it is necessary to give the drawer notice of dishonor; but formal protest is not required, unless the instrument is a foreign bill as defined by the statute.

PITTSBURG'S MANUFACTURING IMPORTANCE.—Pittsburg itself has a population of somewhat more than 325,000, and is the business home and the commercial and financial clearing-house of more than 700,000 people. Its banking business is exceeded by that of but five cities in the country. It holds first place in the world's production of iron, steel, tin-plate, iron and steel pipes, steel cars, air-brakes, electrical machinery, brass, coal and coke, fire-brick, plate-glass, window-glass, tumblers, tableware, petroleum, pickles, white lead and cork. Within the district are 5,000 manufacturing establishments, with invested capital in excess of $500,000,000, turning out annually a product valued at $450,000,000, and giving employment to more than 250,000 persons. It is the centre of 100,000 square miles of bituminous coal lands, as compared, for example, with Great Britain's 11,000 square miles. In 1902 the district produced 712,000 tons of steel rails. Its production of coke, plate-glass, lamp-glass, structural shapes, tubing, tin-plate and crucible steel exceeds that of all the rest of the United States. It originates a tonnage of freight nearly five times as great as that of either New York or London; and greater than that of New York, Chicago and Philadelphia combined. It shipped in 1902, 76,950,000 tons of freight by rail and 9,686,680 tons by water.—*World's Work.*

THE FLORIDA BANK AND TRUST COMPANY, OF JACKSONVILLE.

One of the most important banking events recently recorded in the South is the organization of the Florida Bank and Trust Company, of Jacksonville. By reason of its large capital—$1,000,000—and the prominence of those identified with the enterprise, this promises to be an institution of exceptional strength and of wide influence. Included in its board of directors are many of the best-known bankers of Florida and other Southern States, while general business interests are also adequately represented. It is, in fact, one of the strongest banking boards ever formed in the State of Florida, as may be seen from the list of names given below:

George W. Allen, Key West; C. H. Brown, Live Oak; Frank E. Bond, DeLand; W. M. Brown, Miami; C. W. Bartleson, Jacksonville; W. F. Coachman, Jacksonville; A. D. Covington, Quincy; Raymond Cay, Jacksonville; J. H. Crosby, Jacksonville; John G. Christopher, Jacksonville; H. L. Covington, Pensacola; John H. Carter, Marianna; C. A. Carson, Kissimmee; Albert Carlton, Wauchula; C. Downing, Brunswick, Ga.; John T. Dismukes, St. Augustine; Frank H. Fee, Port Pierce; F. P. Forster, Sanford; W. R. Fuller, Tampa; L. A. Fraleigh, Madison; J. M. Graham, Gainesville; C. E. Garner, Jacksonville; D. T. Gerow, Jacksonville; S. B. Hubbard, Jr., Jacksonville; A. M. Ivès, Jacksonville; W. S. Jennings, Jacksonville; J. F. Lewis, Valdosta, Ga.; W. C. Lewis, Tallahassee; J. C. Little, Jacksonville; W. S. McClelland, Eustis; H. A. McEachern, Jacksonville; D. H. McMillan, Jacksonville; J. L. Munoz, Jacksonville; T. V. Porter, Jacksonville; J. P. Taliaferro, Jacksonville; James Pritchard, Titusville; George M. Parker, Jacksonville; Arthur F. Perry, Jacksonville; C. B. Rogers, Jacksonville; Charles E. Smith, Jacksonville; Telfair Stockton, Jacksonville; P. L. Sutherland, Green Cove Springs; G. W. Saxon, Tallahassee; Lorenzo A. Wilson, Jacksonville; W. H. Milton, Marianna.

Walter F. Coachman, the president, is one of the best-known business men in Florida. He is vice-president and one of the executive committee of the Consolidated Naval Stores Company, president of the Consolidated Land Company and identified as official and stockholder in a half dozen more of the largest business interests in Jacksonville. He organized the first naval stores factorage business ever established in Jacksonville, the Florida Naval Stores and Commission Company, which paid perhaps the largest dividends ever paid by any corporation in the city to that time. His name is a synonym for business integrity.

Governor W. S. Jennings, who has been tendered the position of vice-president and counsel, to take effect after his term of office shall have expired, with especial charge of the trust department of the business, is more peculiarly fitted, perhaps, for that position than any man in Florida. His wide acquaintance with public men throughout Florida, his keen business judgment, so ably shown on many occasions as Governor, when the State's interests were at stake, his ability as a lawyer and counselor are all features well recognized.

Arthur F. Perry, who will be vice-president, with specific charge of the banking department, is one of the most prominent young business men in Jacksonville, and he will go to the institution with a banking experience of several years to his credit. He has been Cashier of the Mercantile Exchange Bank for years, and is a safe and conservative banker, with many personal friends.

Besides earning a high reputation as a banker, Mr. Perry has been successful in his private business interests.

It will be seen that those in charge of the Florida Bank and Trust Company assure its complete success. The new institution has a charter per-

mitting general trust company powers, thereby combining safety and profitable commercial banking and trust company operations. The growing business importance of Jacksonville and the great prosperity of the city and State in recent years demand an institution of the broad powers and large capital of the Florida Bank and Trust Company.

It is expected that a new building will be erected in the near future for the company's use.

Arrangements have been made for complete banking connections, and the collection and other facilities will be the best that experience can provide.

The Florida Bank and Trust Company opened for business January 5, taking over the banking business of the Mercantile Exchange Bank, which had been in successful operation since 1888.

It may be confidently predicted that the Florida Bank and Trust Company will from the first take rank among the strong and progressive financial institutions of the South.

Banks Needed in Honduras.—Howard P. Reed, executive commissioner of Honduras at the World's Fair, stated recently to a representative of the St. Louis "Globe-Democrat" that he did not believe any country would receive more benefits from the Exposition than that of his adoption. "I am being overwhelmed with letters and personal inquiries about Honduras," he said. "These come from people of nearly every nationality, but the majority are from citizens of the United States. During the last few years there has been a great influx of foreign capital and desirable immigrants, and the development of our country in the past two years has been marvelous.

The Sula valley is one of the richest in the world, and it is being rapidly settled and developed. I am engaged in the banana trade, which is a great industry there. I was instrumental in organizing the planters in the Sula valley, and we have sold our crops for a year in advance at satisfactory prices. We would welcome competition, for it is impossible to supply the demand for the fruit. This season we will ship 5,500,000 bunches. New steamship companies are coming in for our trade, and Honduras is, to say the least, a flourishing place. San Padro Sula and Puerto Cortez are both rapidly growing and hustling cities.

There is one thing that we need, and need badly, and that is banking facilities. We have absolutely none. I am going to try while here to interest American capitalists in the starting of a bank in Honduras. I would like to see some of your St. Louis men take hold of the scheme. Our people will co-operate heartily and substantially with any one who will undertake this enterprise. Our merchants buy in the United States or in England and their bills are payable in gold. They have no means in their country to exchange their silver for gold. They have to box their silver up and ship it to this country or to Europe, to be sold or exchanged for gold. Often I have seen cart loads of silver piled upon tables and scores of men counting and packing it for shipment. Our interest rates range from twenty-five to thirty-six per cent. Yet men can borrow money at three per cent. a month and come out a long way ahead at the end of the year. In the early days of the development of the western part of this country nearly, if not quite, the same charges were made for the use of money. The American consul told me before leaving that I must by all means try and induce American capitalists to see the importance of establishing banking facilities in Honduras. I shall be glad to talk with any one who may be interested."

CONDITION OF THE NATIONAL BANKS.

Abstract of reports of condition of National banks in the United States on June 9, September 6 and November 10, 1904. Total number of banks reporting on November 17, 1903, 5,118; November 10, 1904, 5,477; increase, 359.

RESOURCES.	*June 9, 1904.*	*Sept. 6, 1904.*	*Nov. 10, 1904.*
Loans and discounts	$3,595,013,467	$3,726,151.419	$3,772,638,941
Overdrafts	26,800,926	31,777,951	54,941,985
U.S. bonds to secure circulation	409.977,250	418,408,840	425,759,090
U.S. bonds to secure U.S. deposits	110,511,810	108,604,050	107,566,650
Other bonds to secure U.S. deposits	10,645,848	11,658,788	6,757,038
U.S. bonds on hand	17,535,765	13,210,760	15,479,900
Premiums on U.S. bonds	16,435,972	16,210,618	15,782,869
Bonds, securities, etc	566,252,212	589,241,085	595,277,595
Banking house, furniture and fixtures	117.036,371	119,758.526	122,149,605
Other real estate owned	20,793,479	20.330.281	20,608,557
Due from National banks	289,397,500	302.216,207	334,818,962
Due from State banks and bankers, etc	92,347.171	97,482.450	116,058,470
Due from approved reserve agents	498,103,876	562,610.307	543,144,834
Internal-revenue stamps	15,412	10.145	6,507
Checks and other cash items	24.444,773	30,534.081	29,204,470
Exchanges for clearing-house	147.704,918	213,166,623	341.998,191
Bills of other National banks	28,795,425	26,826,955	27,530,385
Fractional currency, nickels and cents	1,809,066	1,793,498	1,758,792
Specie	488,664,145	504,749,935	484,187,821
Legal-tender notes	169,729,173	156,707,594	157,942,968
Five per cent. redemption fund	19.893,556	20,398,096	20,706,134
Due from U.S. Treasurer	4,080,562	3,246,286	3,222,233
Total	$6,655,988,686	$6,975,086,504	$7,196,991,955
LIABILITIES.			
Capital stock paid in	$767,378,148	$770,777,854	$776,089,401
Surplus fund	389,647,338	396,505,508	399,961,534
Undivided profits, less expenses and taxes	191,991,189	186,631,539	195,366,258
National bank notes outstanding	399,583,837	411,231,095	419,120,020
State bank notes outstanding	42,663	42,663	42,663
Due to other National banks	702,246,470	764,571,716	761,568,172
Due to State banks and bankers	283,670,678	319,779,238	312,830,832
Due to trust companies and Savings banks	392,717,484	445,565,539	399,438,881
Due to approved reserve agents	33,515,194	31,335,847	38,793,020
Dividends unpaid	1,090,766	973,952	1,450,704
Individual deposits	3,312,439,840	3,458,216,667	3,707,706,530
U.S. deposits	103,014,659	100,965,682	101,336,914
Deposits of U.S. disbursing officers	7,328,801	9.801,247	8,965,600
Bonds borrowed	35,058,315	34,284,485	33,445,272
Notes and bills rediscounted	8,725,501	11,881,678	8,642,079
Bills payable	21,869,980	25,458,378	25,508,404
Liabilities other than those above	5,667,785	7,063,407	6,725,664
Total	$6,655,988,686	$6,975,086,504	$7,196,991,955

Changes in the principal items of resources and liabilities of National banks as shown by the returns on Nov. 10, 1904, as compared with the returns on Sept. 6, 1904, and Nov. 17, 1903:

ITEMS.	SINCE SEPT. 6, 1904.		SINCE NOV. 17, 1903.	
	Increase.	*Decrease.*	*Increase.*	*Decrease.*
Loans and discounts	$46,487,522	....	$347,553,360	....
U.S. bonds	8,583,990	....	21,438,700	....
Due from National banks, State banks and bankers and reserve agents	31,218,301	....	159,177,949	....
Specie	....	$20,561,113	105,897,396	....
Legal tenders	1,235,374	....	15,617,616	....
Capital stock	5,311.547	....	17,774,231	....
Surplus and other profits	12,190,744	....	30.235,655	....
Circulation	7,888,904	....	42,880,795	....
Due to National and State banks and bankers	....	48,621,433	348,871,654	....
Individual deposits	249,489,863	....	531,504,958	....
United States Government deposits	....	464,415	....	52,210,365
Bills payable and rediscounts	....	3,189,573	....	15,541,490
Total resources	221,905,451	....	894,804,477	....

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—Prof. F. A. Cleveland, of Messrs. Haskins & Sells, addressed the meeting of the New York Chapter of the American Institute of Bank Clerks on the evening of December 8, and on the 22d of the same month, H. M. C. Vedder, President of the General Audit Co. addressed the Chapter on "The Bank Auditor."

—S. M. Jarvis, Vice-President of the National Bank of Cuba, announces that the subscription for the $1,000,000 of the new issue of stock of the National Bank of Cuba has been largely over-subscribed and no further subscriptions will be received.

—Gen. Thomas H. Hubbard has been elected President of the International Banking Corporation, to succeed W. L. Moyer, who declined re-election. Mr. Moyer is President of the National Shoe and Leather Bank.

—On January 1 Arthur E. Newbold became a partner in the banking houses of J. P. Morgan & Co., New York, and Drexel & Co., Philadelphia. Geo. C. Thomas, of these firms, retired from active business on the same date.

—The Standard Bank of South Africa, Limited, will shortly open an agency in this city.

—The United States Title Guaranty and Indemnity Co. has leased for three years two buildings on the old Academy site, 178 and 180 Montague street, Brooklyn. On completion of these buildings the company will remove from its present offices, at 186 Remsen street, to the new buildings.

—The directors of the United States Mortgage and Trust Company recently declared a dividend of eight per cent. and an extra dividend of four per cent. on the company's stock, making in all dividends of twenty per cent. declared and paid during the year. The surplus for the year was increased by $500,000 to $3,500,000, leaving undivided profits of $600,000, results which make the year the most satisfactory in the company's history.

—Charles M. Clark, son of the late Charles F. Clark, former Vice-President of the Company, and Francis H. Page, second Vice-President of the Company, were recently elected trustees of the Washington Trust Company.

—James Speyer, Oscar G. Murray and Daniel G. Reid have been elected directors of the Guaranty Trust Company.

—Isaac Guggenheim has been elected a director of the Lincoln Trust Co.

—The Mechanics' National Bank proposes to increase the par of its shares from $25 to $100, and also to amend the by-laws by providing that the capital may be increased to any sum not in excess of $5,000,000. The present capital is $3,000,000.

—Members of Group VIII. of the New York State Bankers' Association held their annual banquet at the Waldorf-Astoria on the evening of December 20, almost 500 being present, including representative bankers from a number of leading cities. Gates W. McGarrah, President of the Mechanics' National Bank, presided. Among the speakers were: Dr. Edwin A. Alderman, president of the University of Virginia, who spoke on "Practical Idealism"; United States Senator J. P. Dolliver, of Iowa; Francis Murphy, Police Commissioner McAdoo and Borough President Littleton, of Brooklyn.

The success of the banquet was largely due to the dinner committee, composed of the following well-known bankers: Henry P. Davison, Herbert L. Griggs, Gates W. McGarrah, Ruel W. Poor, William H. Porter, C. C. Thompson, Gilbert G. Thorne, Edward Townsend, Charles E. Warren, Gilson S. Whitson and A. H. Wiggin.

—It is reported that a State bank is being organized by Henry Ollesheimer and others to be located in the Metropolitan Life Insurance Company's Building, Twenty-third street and Fourth avenue.

—Group VII. of the New York State Bankers' Association, comprising the banks of Brooklyn and other parts of Long Island, met in annual session at the Clarendon Hotel, Brooklyn, on the evening of December 21, Henry E. Hutchinson, President of the Brooklyn Bank, presiding. Thomas Young, President of the Bank of Huntington, was unanimously elected chairman. Valentine M. Smith, Cashier of the Far Rockaway Bank, was also unanimously elected secretary and treasurer.

—L. A. Norton, of 25 Broad street, has recently published a pamphlet giving some interesting statistics of the banks and trust companies of New York city. The tables give the capital, surplus and profits, deposits on different dates for comparison; year the bank was established, par value of stock, book value at different dates, and dividends.

Although the prices of the stock of many of the banks is high, they still yield a very satisfactory return on the investment, considering the sound character of the security.

NEW ENGLAND STATES.

Boston.—Recent statistics show that the trust companies of this city are growing very rapidly. The rate of dividends paid last year on the total stock of the Boston trust companies was about thirty per cent. greater than the average rate on the total stock of the National banks. Seventeen trust companies earned 17.22 per cent. on a capital of $11,000,000, while thirty National banks paid 8.96 per cent. on a capital of $26,200,000. The same trust companies paid dividends of $923,000, while the banks paid $1,620,000. Only one of the thirty banks paid over eight per cent. in dividends, while five trust companies paid twelve per cent. and one paid sixteen per cent.

Banking in Maine.—The report of the Maine State Bank Examiner, F. E. Timberlake, made public December 31, gives reports of fifty-one Savings banks, with $82,741,563 assets; twenty-three trust and banking companies, with $22,928,005, and thirty-five loan and building associations, with $3,097,237. The total assets, $108,766,806, are $5,382,420 more than a year ago. The number of depositors in Savings banks and trust companies and shareholders in loan and building associations is 258,363, as against 249,079 last year.

During the year there has been paid to depositors and stockholders, in interest and dividends, $3,129,712. The total surplus set apart under requirements of law now amounts to $4,961,883, a gain of $429,912 for the year. This reserve now is about 4.6 per cent. of the entire liabilities of these institutions. The aggregate of their surplus funds and undivided profits, less expense accounts, is $7,800,037, or about seven per cent. of their total liabilities.

The combined assets of all the banking institutions and the National banks in Maine are $161,335,257, an increase of $7,726,602 in banking capital during the year. The per capita of banking capital is $232.32. The total banking capital is now forty-four per cent., or nearly one-half as much as the entire assessed valuation of the State.

Springfield, Mass.—The Springfield National Bank issued a very attractive statement on December 31, showing $2,788,111.37 total resources. The bank was organized May 6, 1893. Its capital is $250,000, surplus $250,000 and undivided profits $42,645. Deposits are $2,065,465. In ratio of surplus to capital this bank stands first in the city and tenth in the State. Dividends at the rate of six per cent. per annum have been paid since organization.

Worcester, Mass.—Plans for a new National bank in Worcester are rapidly materializing. The new institution will be financed entirely by Worcester capital. Ever since the Worcester Trust Co. absorbed four of the Worcester National banks, the field has been looked over by out-of-town capitalists, but little encouragement was given them, as the Worcester business men wanted local capital. The People's Savings Bank is said to be interested in the new proposition.

—On the evening of December 27 the officers of the Worcester National Bank entertained at dinner at the Worcester Club the Presidents and Cashiers of the other National banks of Worcester, the Presidents of the four Savings banks, and the Vice-Presidents and Secretary of the Worcester Trust Co. The Mayor of the city was also one of the guests.

The dinner was in celebration of the 100th anniversary of the founding of the bank, and of the continual and successful growth it has had since that time, making it today one of Worcester's foremost banking institutions.

An interesting historical sketch of the bank was given by Mr. Charles A. Chase.

Holyoke, Mass.—On December 19 William G. Twing completed twenty-five years of continuous service as Cashier of the Holyoke National Bank, and in recognition of the event and of his faithful service to the bank, the directors presented him a solid silver loving-cup, suitably inscribed. When Mr. Twing became Cashier of the bank in 1879 the deposits were only $162,393 and surplus and profits $35,900. Now the deposits are $1,059,962, and the surplus and profits $182,700.

MIDDLE STATES.

Bankers' Meeting.—The annual meeting of Group IV. of the New York State Bankers' Association was held in Utica, December 16, at the Fort Schuyler Club House, where a very fine luncheon was served and the members of the group present delightfully entertained by the bankers of Utica. The meeting partook largely of a social nature; nothing of importance coming up. E. S. Tefft, of Syracuse, was re-elected chairman and L. W. Mott, of Oswego, was elected secretary.

More Pennsylvania Bank Examiners.—Robert McAfee, State Banking Commissioner, has prepared a bill for presentation to the Legislature asking for the creation of five additional bank examiners. The force is said to be too small to examine the banks and trust companies and the hundreds of building and loan associations.

Baltimore, Md.—James Shriver has resigned as Vice-President of the Western National Bank and has returned to a position in the banking house of Alexander Brown & Sons.

The board of directors of the Western National Bank in accepting Mr. Shriver's resignation passed a complimentary resolution. He was elected to the position about three months ago to fill the vacancy that had existed since the death of Derick Fahnestock. The vice-presidency will be left vacant for the present.

Pittsburg.—It is reported that plans are under consideration for converting the German-American Savings and Trust Co. into a National bank.

—The Bank of Pittsburg National Association sent out a very handsome Christmas greeting, including a statement of the bank's condition on November 10, 1904. The capital is $2,400,000; surplus and profits, $2,531,407, and deposits, $14,209,981. Besides increasing the surplus and profits over $100,000 from Jan. 22 to Nov. 10, 1904, the bank paid $240,000 additional earnings to shareholders.

SOUTHERN STATES.

Birmingham, Ala.—"The Age-Herald" of December 4 published the following:

"Great as has been the industrial growth of the Birmingham district during the past few years, there is an institution in Birmingham which has shown a greater percentage of growth—the American Trust and Savings Bank, the phenomenal growth of which is told in figures in another part of today's Age-Herald.

This bank opened for business April 1, 1903. Its deposits at the close of business April 1, 1903, amounted to $89,454.32. On December 1, 1903, the deposits had grown to $364,657.16, and during the past twelve months the deposits have increased to $786,361.89, a gain of over 100 per cent.

No bank in the history of Birmingham has ever shown such growth, and in addition to the rapid growth of its deposits, the American Trust has earned, since its organization, net profits amounting to $22,000, out of which it has paid $6000 in dividends, leaving net undivided profits of $16,000. Such a record for a new bank is seldom attained.

The American Trust and Savings Bank transacts a general commercial banking business in addition to its trust and savings departments. The affairs of the bank are watched over by one of the strongest directorates in the State, and with such well known men in direct charge as Mr. G. B. McCormick, President; H. L. Badham, Vice-President, and H. B. Urquhart, Cashier."

Newport News, Va.—On December 13 the Newport News National Bank absorbed the City Bank.

New Orleans, La.—John E. Bowden, Jr., who has been Assistant Cashier of the Whitney National Bank for eight years was recently promoted to the office of Vice-President.

Savannah, Ga.—Owing to a marked increase in its business, the Savannah Trust Co. recently created a new office—that of Assistant Scretary and Treasurer, electing John H. Strous, an experienced bank and business man, to the position.

—At the recent annual election of the Savannah Clearing-House Association officers were elected as follows: President, Mills B. Lane, of the Citizens' Bank; Vice-President, Horace A. Crane, Southern Bank; Secretary and Treasurer, J. M. Hogan, Germania Bank.

Gulf and Ship Island Railway.—A statement has appeared recently to the effect that the Gould system of railroads is shortly to have another outlet to the Gulf through the purchase of the Gulf & Ship Island Railroad, whose southern terminus, Gulfport, has been quite prominent of late, owing to its rapid rise to the position of foremost southern point of export for lumber. It is also rumored that the Gould system is to acquire as a connecting link the St. Louis, Pascagoula & Panama Railroad (the old Mississippi Central), which

has recently borrowed funds for the purpose of extending its line from its connection with the Gulf & Ship Island at Silver Creek to Natchez, at which point it will connect with the Gould system. That such an arrangement would be of immense advantage to the Gould system is apparent, as Gulfport has much more convenient docking facilities than New Orleans. It is stated on good authority, however, that no sale of the Gulf & Ship Island to the Goulds is under consideration, but that the property will continue to be operated independently.

WESTERN STATES.

Minneapolis, Minn.—Julius S. Pomeroy, former Cashier of the National Bank of North America, Chicago, is now Cashier of the Security Bank of Minnesota, succeeding the late Thomas Hurley. Mr. Pomeroy is thirty-seven years of age, and has had twenty years' experience in banking. His first service in a bank was in the East, and later he became Cashier of the First National Bank, Winona, Minn., remaining there until establishing the Chicago affiliation above mentioned.

—The National Bank of Commerce has issued a finely printed and illustrated booklet giving a brief history of the bank and describing its facilities for the prompt and satisfactory transaction of business. The illustrations show that the several departments of the bank are well arranged, while the descriptive matter attractively sets forth the advantages of this well-known and carefully managed bank.

St. Louis, Mo.—W. D. Pittman, bond officer of the Mississippi Valley Trust Co., recently resigned and was succeeded by Wm. G. Lackey, Assistant Trust officer, who has been with the Company for five years. Mr. Pittman resigned to give closer attention to a realty and investment company of which he is Secretary and Treasurer.

—The Mississippi Valley Trust Co. will increase its board of directors from twenty-one to twenty-five members at its annual meeting on February 6.

—The Olive Street Bank and the Vandeventer Bank have decided not to merge.

—Evidences of prosperity were furnished by the declaration of "Christmas dividends" by two of the largest trust companies in St. Louis. The Commonwealth Trust directors declared an additional twelve per cent., besides the quarterly three per cent. usually paid, making fifteen per cent. in all. Incidentally, this is the largest single cash dividend paid by any trust company in St. Louis and one of the largest ever known here. It brings the aggregate dividends for the year on Commonwealth Trust stock up to twenty-three per cent. Neither the surplus nor profits of the company were disturbed in doing this.

—The Mercantile Trust paid an extra four per cent. on its capital of $3,000,000, in accordance with its annual custom. The surplus and profits of this company show a large gain for the past twelve months.

—The directors of the Mississippi Valley Trust Co., at a meeting December 13, declared the regular four per cent. quarterly dividend. The Mississippi Valley Trust has paid sixteen per cent. dividends for some time.

—The Third National Bank has joined the constantly increasing number of St. Louis financial institutions paying twelve per cent. dividends per annum.
The directors declared a three per cent. dividend, due January 1. This is the first of the quarterly dividends of three per cent.
The Third National in the last eight years has had the greatest gain in deposits of any large bank in the United States, its increase being more than 925 per cent.

Guthrie, Okla.—Since the organization of the National Bank of Commerce on July 1 last, its deposits have nearly doubled. On the date mentioned, when the Bank of Commerce was nationalized, the deposits were $250,000, while they are now $500,000. This growth is certainly an evidence of the confidence of the community in the management of the bank's popular President, Mr. J. W. McNeal, who was the founder of the first bank in Guthrie.

Detroit, Mich.—Preliminary negotiations are under way for merging the Dime Savings and Marine Savings Banks. Committees from each have been appointed to take up the details and arrange a basis for completing the merger. The Marine Savings Bank has a capitalization of $100,000, total resources of $746,060, while those of the Dime aggregate $4,056,480. The merger is expected to be completed shortly.

Fremont, Ohio.—The Croghan Bank and Savings Co., which is one of the progressive banks of Ohio, has purchased a site for a new building, and will put up a bank home that will adequately care for the bank's large and growing business.

Columbus, O.—The Merchants and Manufacturers' National Bank, and the First National Bank of Columbus have merged with $1,000,000 capital; W. S. Courtright is President and E. J. Vaughn, Cashier.

Chicago.—During the year just closed the banks and business interests of this city have enjoyed steady prosperity. There has been no marked speculative movement. Bank clearings have gained moderately but steadily, rising from $670,000,000 in February to $860,000,000 in December.

Among the banks the growth in deposits was relatively and actually larger with the State than with the National institutions. The former had an increase of over $60,000,000 in deposits, or 25.7 per cent., while the National banks increased $37,755,182, or 144.4 per cent. With this gain in funds there was not a corresponding demand, and bank earnings for the year will not be so large as in 1903. This applies to the average, for in special instances the profits have been larger.

Total deposits with State and National institutions were $593,397,155, a gain of $97,787,318, or 19.7 per cent. Against this increase in deposits there was an expansion in loans of only $22,357,172, or 6.7 per cent. Savings deposits increased over $14,000,000, or 12.9 per cent.

Peoria, Ill.—At a meeting of the board of directors of the Illinois National Bank, December 29, Ira D. Buck, second Vice-President, was elected President to succeed the late Martin Kingman, and Walter R. Kingman was elected as Vice-President.

Cordell, Okla.—The Bank of F. C. Finerty & Co., moved into their new building in October last. The building is one of the most imposing in this section of country. It is built entirely of compressed brick, the bank occupying a suite of rooms extending the entire length of the building, a space that is required in the conduct of its extensive and growing business. The interior is finished in oak, and the furniture is of the same wood. The ceiling is of steel, and the walls are tastefully frescoed. New fixtures were installed by DeWolf, of Garnett, Kans., and a new 19-screw-door steel safe of latest improved design, making all in all one of the best equipped banks in this part of the county. The specialty of the bank is farm loans.

Okeene, Okla.—The First National Bank recently moved into its new building, which is built of Anadarko red granite. Fixtures are of solid oak, and all the rooms have steel ceilings. A modern solid steel vault has been put in, and all the other fittings are up to the best standard.

Hutchinson, Kans.—Evidences of prosperity and progress are shown by the Citizens' Bank, which has remodelled and enlarged its banking rooms, greatly improving their appearance.

Carrollton, Mo.—The First National Bank has recently made important improvements both in the interior and exterior of its building, putting in an entire new front. The interior is furnished throughout in mahogany by A. H. Andrews & Co., of Chicago. New steel vaults have been put in, equipped with the American Bank Protective System. Floors are covered with rubber interlocking tile. The banking room is now just double the size of the old quarters.

—The Carroll Exchange Bank is putting a new front in its building, also a new steel lined vault, and other modern improvements.

PACIFIC SLOPE.

California Bank Commissioner.—Zoeth S. Eldredge, of San Francisco, was recently appointed Bank Commissioner for California, succeeding Wm. H. High, resigned. Mr. Eldredge was for eight years a National bank examiner, having been appointed by Comptroller Eckels.

Foreign Exchange.—The sterling exchange market has been strong throughout the month, the prevailing low rates for money here causing banker's balances to be sent abroad for more profitable investment. Gold was exported almost to the exhaustion of bars, and it is quite probable that even gold coin will be exported in considerable quantities.

Rates for Sterling at Close of Each Week.

Week ended.	Bankers' Sterling.		Cable transfers.	Prime commercial, Long.	Documentary Sterling. 60 days.
	60 days.	Sight.			
Dec. 3	4.8370 @ 4.8375	4.8645 @ 4.8655	4.8680 @ 4.8690	4.83⅜ @ 4.83¼	4.82¾ @ 4.82⅞
" 10	4.8360 @ 4.8370	4.8625 @ 4.8630	4.8665 @ 4.8675	4.83¼ @ 4.83⅜	4.82¾ @ 4.84
" 17	4.8465 @ 4.8475	4.8720 @ 4.8730	4.8765 @ 4.8775	4.84⅛ @ 4.84¼	4.83¾ @ 4.84⅞
" 24	4.8460 @ 4.8465	4.8715 @ 4.8720	4.8760 @ 4.8765	4.84¼ @ 4.84⅜	4.83⅝ @ 4.84⅞
" 31	4.8480 @ 4.8490	4.8710 @ 4.8720	4.8775 @ 4.8785	4.84⅛ @ 4.84⅝	4.83¾ @ 4.84⅞

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

Applications to Organize National Banks Approved.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

First National Bank, Hawkinsville, Ga.; by W. N. Parsons, et al.

Washington National Bank, Aberdeen, Wash.; by Bamford A. Robb, et al.

Farmers' & Merchants' National Bank, De Leon, Texas; by W. S. Whaley, et al.

First National Bank, Preston, Idaho; by James Pingree, et al.

Farmers' & Merchants' National Bank, Tyler, Texas; by Gus F. Taylor, et al.

First National Bank, Munich, N. D.; by David H. Beecher, et al.

First National Bank, Kernes, Texas; by Travis Holland, et al.

First National Bank, Uniontown, Ala.; by S. T. Whitfield, et al.

First National Bank, Wetumpka, Ala.; by Morris Hohenberg, et al.

Iron County National Bank, Crystal Falls, Mich.; by J. F. Corcoran, et al.

Union National Bank, McKeesport, Pa.; by A. B. Campbell, et al.

American National Bank, El Paso, Texas; by Jno. M. Wyatt, et al.

First National Bank, Lewiston, Minn.; by Charles Posz, et al.

Earlville National Bank, Earlville, Ill.; by C. C. Strong, et al.

First National Bank, Littleton, Colo.; by J. C. Mitchell, et al.

Oland National Bank, Witt, Ill.; by John Hoehn, et al.

First National Bank, Jasper, Fla.; by W. Y. Bandlin, et al.

Lineville National Bank, Lineville, Ala.; by John H. Ingram, et al.

First National Bank, Yuma, Ariz.; by J. N. Porter, et al.

McGregor National Bank, McGregor, Texas; by W. A. Barclay, et al.

First National Bank, Delphos, Kans.; by H. C. Wones, et al.

First National Bank, Louisburg, N. C.; by Robert G. Allen, et al.

Citizens' National Bank, Ashtabula, Ohio; by Edwin Goddard, et al.

Terre Haute National Bank, Terre Haute, Ind.; by Preston Hussey, et al.

First National Bank, Coffeen, Ill.; by Jos. Heckman, et al.

Eaton National Bank, Eaton, Ohio; by J. H. Musselman, et al.

First National Bank, Bells, Tex., by S. D. Simpson, et al.

First National Bank, Cochran, Ga.; by Z. V. Peacock, et al.

Talladega National Bank, Talladega, Ala.; by J. H. Hicks, et al.

First National Bank, Avonmore, Pa.; by G. M. Hine, et al.

First National Bank, Batesville, Ark.; by James P. Coffin, et al.

City National Bank, Mineola, Tex.; by R. N. Stafford, et al.

Newman National Bank, Newman, Ill.; by Scott Burgett, et al.

State National Bank, Windsor, Vt.; by John L. Bacon, et al.

Tobias National Bank, Tobias, Neb.; by A. Upton, et al.

First National Bank, Hartford, Ala.. by L. E. Burford, et al.

Paisley National Bank, Witt, Ill.; by Geo. W. Paisley, et al.

Gainesville National Bank, Gainesville, Ga.; by Samuel C. Dunlap, et al.

First National Bank, Moultrie, Ga.; by A. W. Chase, et al.

First National Bank, Smithfield, Va.; by J. P. Lewis, et al.

First National Bank, Manchester, Ky.; by D. L. Walker, et al.

Davenport National Bank, Davenport, Wash.; by Alfred Coolidge, et al.

First National Bank, Henderson, N. C.; by J. H. Bridgers, et al.

First National Bank, Monongah, W. Va.; by Howard W. Showalter, et al.

Mahaffey National Bank, Mahaffey, Pa.; by J. W. Stephenson, et al.

Citizens' National Bank, Gastonia, N. C.; by R. P. Rankin, et al.

First National Bank, Dunbar, Pa.; by T. B. Palmer, et al.

American National Bank, San Antonio, Tex.; by M. L. Oppenheimer, et al.

Old National Bank, Battle Creek, Mich.; by Edwin C. Nichols, et al.

Commercial National Bank, Goliad, Tex.; by J. C. Burns, et al.

Alamosa National Bank, Alamosa, Colo.; by L. K. Mumford, et al.

First National Bank, Haskell, I. T.; by Philip B. Hopkins, et al.

First National Bank, Illmo, Mo.; by S. R. Fitts, et al.

First National Bank, Triumph, Ill.; by E. L. Watts, et al.

First National Bank, Hollywood, Cal.; by G. W. Hoover, et al.

First National Bank, Export, Pa.; by J. H. Steele, et al.

First National Bank, Monroe, Ga.; by C. T. Mobley, et al.

National Bank of Benld, Benld, Ill.; by R. E. Dorsey, et al.

Coffeen National Bank, Coffeen, Ill.; by C. F. Edwards, et al.

National City Bank, Troy, N. Y.; by William Kemp, et al.

First National Bank, Grand Gorge, N. Y.; by Samuel Harley, et al.
Newberg National Bank, Newberg, Oreg.; by Clarence Butt, et al.
First National Bank, Brighton, Colo.; by S. G. Hurst, et al.
State National Bank, Blackwell, Okla.; by U. H. Thompson, et al.
American National Bank, Fairbanks, Alaska; by J. J. Haggerty, et al.
Second National Bank, New Hampton, Ia.; by W. G. Shaffer, et al.
Farmers' National Bank, Nokomis, Ill.; by Alf. Griffin, et al.
First National Bank, Porter, I. T.; by D. H. Middleton, et al.
First National Bank, Olin, Ia.; by Geo. N. Schoonover, et al.
First National Bank, Trumansburg, N. Y.; by L. J. Wheeler, et al.
First National Bank, Montgomery City. Mo.; by Frank S. Stover, et al.

Application for Conversion to National Banks Approved.

Lake County State Bank, East Chicago, Ind.; into First National Bank.
State Bank, Edna, Kans.; into First National Bank.
Waushara County Bank, Plainfield, Wis.; into First National Bank.
Hot Springs County Bank, Malvern, Ark.; into First National Bank.
Bosworth Exchange Bank, Bosworth, Mo.; into First National Bank.

National Banks Organized.

7484—Merchants' & Planters' National Bank, Sylacauga, Ala. Capital, $50,000; Pres., J. W. Brown; Vice-Pres., F. H. Kaupp; Cas., H. K. Stockley.
7485—Greene County National Bank, Hunter, N. Y. Capital, $25,000; Pres., Hammond M. Shelve; Vice-Pres., John De Courcy Ireland; Cas., Edwin A. Ham.
7486—First National Bank, Bowerston, Ohio. Capital, $25,000; Pres., W. B. Penn; Vice-Pres., J. A. McKean; Cas., Bert Mann.
7487—National Commercial Bank, Cleveland, Ohio. Capital, $1,500,000; Pres., J. Colwell; First Vice-Pres., C. L. Murfey; Second Vice-Pres., W. P. Johnson; Cas., L. A. Murfey.
7488—First National Bank, Sykesville, Pa. Capital, $25,000; Pres., Jacob B. Skyes; Vice-Pres., John S. Weakland; Cas., Fred S. Mazie.
7489—First National Bank, Professor, Wash. Capital, $25,000; Pres., Nelson Rich; Vice-Pres., J. W. Carey; Cas., P. E. Harris.
7490—Morganfield National Bank, Morganfield, Ky. Capital, $25,000; Pres., Jno. M. Crowe; Vice-Pres., S. C. Anderson; Cas., Charles H. Ellis.
7491—Farmers' National Bank, Trafalgar, Ind. Capital, $25,000; Pres., R. Day Willan; Vice-Pres., Frank Hellerick; Cas., A. C. Brock.
7492—First National Bank, Eddyville, Ky. Capital, $25,000; Pres., T. H. Malloy; Cas., James F. Ramey.
7493—First National Bank, Kensington Kans. Capital, $25,000; Pres., L. C. Ahlborn; Vice-Pres., Fred Dieckhoff; Cas., Leroy Kennedy; Asst. Cas., R. G. Ahlborn.
7494—People's National Bank, Jackson, Mo. Capital, $25,000; Pres. Wm. B. Schaefer; Vice-Pres., Oliver B. Kinder; Cas., William Parr.
7495—First National Bank, Aubrey, Tex. Capital, $25,000; Pres., B. B. Samuels; Cas., H. G. Musgrove.
7496—Citizens' National Bank, Tipton, Ind. Capital, $50,000; Pres., Wm. J. Miner; Vice-Pres., M. V. B. Newcomer; Cas., F. E. Davis; Asst. Cas., L. G. Seright.
7497—Lawrenceburg National Bank, Lawrenceburg, Ky. Capital, $100,000; Pres., C. E. Bond; Vice-Pres., W. B. Saffell; Cas., J. M. Johnson; Asst. Cas., E. V. Johnson.
7498—Merchants' National Bank, New Orleans, La. Capital, $200,000; Pres., E. S. Woodfin; Vice-Pres., E. B. Harral; Asst. Cas., Henry T. Strong.
7499—Bokchito National Bank, Bokchito, I. T. Capital, $25,000; Pres., S. T. Bentley; Vice-Pres., A. C. Risner; Cas., J. R. Modrall.
7500—First National Bank, Westville, Ill. Capital, $25,000; Pres., Geo. G. Robertson.
7501—First National Bank, Arvada, Colo. Capital, $25,000; Pres., Geo. C. Swadley; Vice-Pres., Albert H. Barth; Cas., D. H. Staley; Asst. Cas., B. U. Jamison.
7502—First National Bank, Oakdale, Cal. Capital, $60,000; Pres., Edward Rodden; Vice-Pres., Paul Brichetto; Cas., Wm. L. Rodden.
7503—Hagerman National Bank, Hagerman, N. Mex. Capital, $25,000; Pres., John W. Warren; Cas., W. M. Waskom.
7504—Security National Bank, Watertown, S. D. Capital, $50,000; Pres., John B. Hanten; Vice-Pres., H. M. Finnerud; Cas., Wm. B. Ryalls.
7505—Delaware National Bank, Delaware, Ohio. Capital, $150,000; Pres., S. Moore; Vice-Pres., V. T. Hills; Cas., E. I. Pollock; Asst. Cas., G. S. Cryder.
7506—Villisca National Bank, Villisca, Ia. Capital, $75,000; Pres., Amos P. West; Vice-Pres., F. M. Dirrim; Cas., F. F. Jones.
7507—Citizens' National Bank, Vicksburg, Miss. Capital, $100,000; Pres., Charles G. Wight; Cas., Geo. B. Hackett.
7508—First National Bank, Caledonia, Minn. Capital, $25,000; Pres., Walter Georgen; Vice-Pres., O. E. Burtness; Cas., T. A. Beddow.
7509—Belton National Bank, Belton, Tex. Capital, $50,000; Pres., J. Z. Miller; Vice-Pres., J. Q. Allen; Cas., J. Z. Miller, Jr.; Asst. Cas., W. W. James.
7510—Commercial National Bank, Greenville, Tex. Capital, $100,000; Pres., W. M. McBride; Vice-Pres., J. O. Boyle; Vice-Pres. and Cas., J. O. Teagarden.
7511—First National Bank, State College, Pa. Capital, $25,000; Pres., W. C. Patterson; Cas., Daniel F. Kapp.
7512—First National Bank, Sharon Springs, N. Y. Capital, $25,000; Pres., Geo. Ul Clausen; Vice-Pres., DeWitt C. Dow.
7513—First National Bank, Shelburn, Ind. Capital, $25,000; Pres., C. B. Bolinger; Vice-Pres., H. V. Stark; Cas., F. J. First.
7514—City National Bank, El Paso,

Tex. Capital, $100,000; Pres., Aug. G. Andreas; Vice-Pres., T. B. Dockery; Second Vice-Pres., S. G. Harless; Cas., R. M. Mayes.

7515—Farmers' & Merchants' National Bank, Tyler, Tex. Capital. $100,000; Pres., Gus. F. Taylor; Vice-Pres., Louis Lipshitz; Cas., Geo. S. McGhee.

7516—First National Bank, Lineville, Ala. Capital, $25,000; Pres., Jno. S. Jemison; Cas., R. L. Ivey; Asst. Cas., E. L. Ivey.

7517—Fairfield National Bank, Lancaster, Ohio. Capital, $100,000; Pres., Philip Rising; Vice-Pres., H. B. Peters and Geo. W. Beck; Cas., Geo. P. Rising.

7518—First National Bank, Forest, Ohio. Capital, $25,000; Pres., W. T. Gemmill; Vice-Pres., S. M. Brown; Cas., W. T. Robinson.

7519—First National Bank, Hyattsville, Md. Capital, $40,000; Pres., Francis H. Smith; Vice-Pres., Jackson H. Ralston; Cas., Harry W. Shepherd.

7520—First National Bank, Oxford, Neb. Capital, $25,000; Pres., W. T. Barstow; Vice-Pres., E. N. Mitchell; Cas., Geo. W. Hall.

7521—State National Bank, Iowa Falls, Ia. Capital, $50,000; Pres., S. R. Cross; Vice-Pres., B. H. Thomas; Cas., F. D. Peet; Asst. Cas., C. B. Richmond.

7522—Textile National Bank, Philadelphia, Pa. Capital, $200,000; Pres., Henry Ruetschlin; First Vice-Pres., Wm. S. Leib; Second Vice-Pres., V. O. Lawrence; Cas., Chas. F. Kolb, Jr.

7523—First National Bank, Bentonville, Ark. Capital, $50,000; Pres., G. P. Jackson; Cas., D. W. Peel.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Gadsden—Merchants' & Farmers' Bank; capital, $50,000; Cas., J. H. Lester.

Roanoke—Campbell & Wright Banking Co.; capital, $50,000; Pres., J. C. Wright; Vice-Pres., W. W. Campbell; Cas., Sam C. Fausett.

ARKANSAS.

Altus—German-American Bank; capital, $25,000; Pres., H. L. Hembree; Vice-Pres., Jacob Post; Cas., E. S. Rodman.

Hamburg—Citizens' Bank; capital, $15,000; Pres., R. R. Radford; Vice-Pres., M. E. Sawyer; Cas., E. R. Wall; Asst. Cas., E. Percy George.

McGehee—Bank of McGehee; capital, $12,500; Pres., Abner McGehee; Vice-Pres., K. G. Morley; Cas., C. S. McCain.

Siloam Springs—State Bank; capital, $15,000; Pres., B. Coppock; Vice-Pres., J. W. Webster; Cas., C. J. Martin.

CALIFORNIA.

Los Angeles—Mercantile Trust & Savings Bank; capital, $100,000; Pres., F. M. Douglass; Vice-Pres., W. Jarvis Barlow; Cas., Charles Ewing.

Loyalton—Sierra Valley Bank; capital, $1,000; Cas., J. J. Millar, Asst. Cas., J. S. Rees.

COLORADO.

Fruita—First Bank; capital, $10,000; Pres., W. A. Merriell; Vice-Pres., M. F. Skelly; Cas., A. A. Betts.

Johnstown—Bank of Johnstown; capital, $10,000; Pres., T. M. Callahan; Vice-Pres., W. L. McCaslin; Cas., W. E. Letford.

Olathe—Olathe Banking Co.; Responsibility, $500,000; Pres., T. B. Townsend; Vice-Pres., C. B. Akard; Cas., E. L. Osborn; Asst. Cas., G. L. Haight.

Palisades—Bank of Palisades; Pres., J. C. Davis; Vice-Pres., V. B. Caldwell; Cas., J. D. Reeder; Asst. Cas., D. L. Rusk.

FLORIDA.

Bowling Green—W. R. Minor & Co.; capital, $10,000; Pres. and Cas., W. R. Minor.

GEORGIA.

Broxton—Broxton Banking Co.; capital, $25,000; Pres., L. O. Benton; Vice-Pres., E. H. Moore; Cas., M. A. McDowell.

Conyers—Bank of Conyers; capital, $30,000; Pres., Wm. L. Peel; Vice-Pres., M. L. Wood; Cas., T. D. O'Kelley.

Edison—Bank of Edison; capital, $30,000; Pres., J. J. McDonald; Vice-Pres., Henry Turner; Cas., C. J. Rawls.

Garfield—Garfield Bank; capital, $15,000; Pres., W. M. Durden; Vice-Pres., D. E. Gay; Cas., W. R. Holder.

Lyerly—Bank of Lyerly; capital, $25,000; Pres., W. S. Witham; Vice-Pres., J. H. Hill; Cas., R. T. Eberhardt.

Palmetto—Bank of Palmetto; capital, $15,000; Pres., W. S. Witham; Vice-Pres., Levi Ballard and W. S. Zellars; Cas., W. H. Ferguson.

Ringgold—Bank of Ringgold; capital, $15,000; Pres., W. S. Witham; Vice-Pres., J. A. McClain; Cas., J. H. Walker, Jr.

Summit—People's Bank; capital, $18,000; Pres., J. A. Jones; Vice-Pres., B. L. Rountree; Cas., S. J. Flanders.

ILLINOIS.

Clinton—Clinton Savings Bank; capital, $50,000; Pres., Richard Snell; Vice-Pres., Wm. Metzger; Cas., C. S Lafferty; Asst. Cas., J. F. Auger.

Johnston City—Johnston City State Bank; capital $25,000; Pres., J. E. Carr; Vice-Pres., L. Peterson; Cas., Lorin Felts.

Lahogue—Lahogue Bank; Responsibility, $150,000; Pres., J. K. Egley; Vice-Pres., W. H. Egley; Cas., W. E. Bush; Asst. Cas., G. B. Egley.

Loraine—Loraine State Bank; capital, $25,000; Pres., Geo. Steiner; Vice-Pres., Geo. H. Eastman; Cas., J. G. Stuart; Asst. Cas., S. S. Groves.

Morgan Park—Calumet Trust & Savings Bank; capital, $25,000; Pres., Robert B. Thomson; Vice-Pres., Horace E. Horton; Cas., Cecil P. Squire.

Seymour—John V. Ayre & Co., Cas., J. W. Ayre.

INDIANA.

Bainbridge—Bainbridge Bank; Pres., F. P. Moffett; Cas., C. M. Moffett.
Elkhart—First State Bank; capital, $50,000; Pres., Norman Sage; Vice-Pres., J. Goldberg; Cas., Chas. T. Greene; Asst. Cas., Frank A. Sage.
Evansville—American Trust & Savings Bank; capital, $100,000; Pres., E. O. Hopkins; Vice-Pres., M. S. Sonntag; Sec. and Treas., W. J. Lewis.
St. Paul—St. Paul Bank (successor to Citizens' Bank); capital, $7,500; Pres., Orlando Hungerford; Cas., Walter Hungerford.

INDIAN TERRITORY.

Adair—Western Security Bank; capital, $5,000; Pres., J. F. Dunham; Vice-Pres., V. H. Adair; Cas., Thad. T. Parks.
Choteau—Choteau Trust & Banking Co.; capital, $11,850; Pres., V. Gray; Vice-Pres., S. W. Keiser; Cas., C. F. Rogers.
Porter—Merchants' & Planters' Bank; capital, $14,000; Pres., J. W. Hensley; Vice-Pres., Wallace Garrett; Cas., Sid Garrett; Asst. Cas., Lawrence Wright.

IOWA.

Imogene—Read-Gwynn Bank (successor to Citizens' Bank); Responsibility, $250,000; Pres., T. H. Read; Vice-Pres., J. L. Gwynn; Cas., Elbert A. Read.
Lamoni—Farmers' State Bank (successor to Farmers' Bank); capital, $25,000.
Lohrville—Lohrville Savings Bank (successor to S. G. Crawford & Co.) capital, $20,000; Pres., S. G. Crawford; Vice-Pres., Abram Cain; Cas., Chas. Allen; Asst. Cas., Irvin S. Jenkins.
New Liberty—German Savings Bank (successor to New Liberty Savings Bank); capital, $10,000; Pres., Wm. Treimer; Vice-Pres., E. R. Jokheck, Jr.; Cas., Geo. Lueders.

KANSAS.

Lewis—Home State Bank; capital, $10,000; Pres., F. B. Hine; Vice-Pres., F. P. Smith; Sec., Sam Yaggy.
Penalosa—Penalosa State Bank; capital, $10,000; Pres., Paul S. Woods; Cas., J. P. Russell.
Sawyer—Sawyer State Bank; capital, $10,000.
Victoria—First State Bank; capital, $10,000; Pres., B. Brungardt; Vice-Pres., M. C. Brungardt; Cas., F. B. Brungardt.

KENTUCKY.

Auburn—Bank of Auburn; capital, $20,000; Pres., T. O. Helm; Vice-Pres., G. W. Pottinger; Cas., H. P. McCormick.
McKinney—McKinney Deposit Bank; capital, $15,000; Pres., E. J. Tanner; Vice-Pres., F. M. Ware; Cashier, O. G. Harrison.

MASSACHUSETTS.

North Adams—North Adams Trust Co.; capital, $200,000; Pres., Frank S. Richardson; Vice-Pres., Geo. P. Lawrence; Treas., Geo. A. MacDonald.

MICHIGAN.

Alto—Farmers' State Bank; capital, $10,000; Pres., Geo. E. Bartlett; Vice-Pres., Edson O'Harrow and John Q. Watts; Cas., Frank E. Campau.
Escanaba—State Savings Bank (successor to Citizens' Bank); capital, $50,000; Pres., O. B. Fuller; Vice-Pres., Ole Erickson; Cas., E. P. Sutherland.
Gladwin—State Bank (successor to Gladwin County Bank); capital, $20,000; Pres., Wm. H. Aitkin; Vice-Pres., A. H. Midbury; Cas., Milmine H. Aitkin; Asst. Cas., O. G. Goodrun.
Hersey—Hersey Banking Co.; Responsibility, $500,000; Pres., O. L. Millard; Vice-Pres., J. S. Edwards; Cas., H. A. Millard.
McBrides—Neff's Bank; Responsibility, $350,000; Cas., Sherman Neff; Asst. Cas., Jacob M. Neff.

MINNESOTA.

Fertile—Citizens' State Bank; capital, $15,000; Pres., K. J. Taralseth; Vice-Pres., L. Ellington; Cas., A. P. Hanson; Asst. Cas., Ed. Mosefin.
Green Bush—Northern State Bank; capital, $15,000; Pres., John Bohmer; Vice-Pres., W. J. Bohmer; Cas., B. T. Piesik.
Hamburg—State Bank; capital, $10,000; Pres., Henry L. Simons; Vice-Pres., F. S. Mayer; Cas., A. J. Kehrer.
Ihlen—Bank of Ihlen; capital, $5,000; Pres., Jos. Evenson; Vice-Pres., Chris Bauman; Asst. Cas., L. L. Dale.
Milaca—Milaca State Bank; capital, $15,000; Pres., D. A. McLarty; Vice-Pres., J. Van Rhee; Cas., A. E. Batchelder.
Sedan—Farmers' & Merchants' Bank; Pres., A. H. Reinhard; Vice-Pres., Geo. A. Whitney; Cas., R. C. Curry.
Sleepy Eye—Farmers' & Merchants' State Bank; capital, $25,000; Pres., E. P. Bertrand; Vice-Pres., Geo. W. Somerville; Cas., Wm. Brust; Asst. Cas., Geo. E. Danson.
Spring Grove—State Bank; capital, $15,000; Pres., O. B. Tove; Vice-Pres., O. B. Nelson; Cas., C. J. Scofield.
Wanamingo—Farmers' State Bank; capital, $10,000; Pres., O. O. Follingsted; Vice-Pres., Nels J. Olness; Cas., Henry M. Halvorson; Asst. Cas., Martin Halvorson.

MISSISSIPPI.

Isola—Bank of Isola; capital, $5,000; Pres., A. W. Oliver; Vice-Pres. and Cas., B. A. Wright.
Pickens—Merchants' & Farmers' Bank; capital, $20,000; Pres., W. S. Atkinson; Vice-Pres., H. O. Zeigler; Cas., E. W. Benton.
Vicksburg—Union Savings Bank; capital, $3,000; Pres., C. Henri Woode; Vice-Pres., W. H. Lanier and Wesley Crayton; Cas., T. G. Ewing; Asst. Cas., L. J. Rowan.

MISSOURI.

Emden—Farmers' Bank; capital, $7,-

500; Pres., Davis S. Sharp; Vice-Pres., R. D. Goodwin; Cas., R. L. Davis.

High Hill—Bank of High Hill; capital, $10,000; Pres., Emil F. Nebel; Vice-Pres., A. W. Gerdeman; Cas., J. P. Ellis.

Houston—Texas County Bank; capital, $20,000; Pres., J. W. Phemister; Vice-Pres., F. P. Rutherford; Cas., W. J. McGee.

Palmyra—Bank of Palmyra; capital, $20,000; Pres., J. G. Stillions; Vice-Pres., W. F. Howell; Cas., M. L. Wood; Asst. Cas., L. H. Sharp.

Rothville—Bank of Rothville; capital, $10,000; Pres., W. W. Riddell; Vice-Pres., John P. Riddell; Cas., J. S. Waugh.

St. Louis—Broadway Savings Trust Co.; capital, $100,000; Pres., J. H. Price; Vice-Pres., E. L. Adrean and Chas. S. Brown; Sec. and Treas., Thomas H. West, Jr.

St. Peters—Bank of St. Peters; capital, $10,000; Pres., Aloys Schneider; Vice-Pres., F. P. Dunn; Cas., C. E. Beard.

MONTANA.

Billings—People's Savings Bank; Pres., Thomas J. Boughton; Cas., W. F. Sylvester.

Whitehall—Whitehall State Bank; capital, $20,000; Pres., C. J. Pruett; Vice-Pres., W. M. Woods and A. J. McKay; Cas., Frank H. Johnson.

NEBRASKA.

Farnam—Farnam Bank; capital, $5,000; Pres., G. D. Faulkes; Vice-Pres., C. L. Dunham; Cas., S. F. Parker.

Oshkosh—Deuel County Bank; capital, $10,000; Pres., C. E. Jecks; Vice-C. H. Burk; Asst. Cas., J. H. Wehn.

NEW HAMPSHIRE.

West Derry—Derry Savings Bank; W. S. Pillsbury, Pres.; Treas., F. J. Shepard.

NEW YORK.

Fort Covington—A. C. Wilcox & Co.; Cas., F. J. Dimond.

NORTH CAROLINA.

Mount Gilead—Bank of Mount Gilead; capital, $10,000; Pres., J. A. Mcaulay; Vice-Pres., L. P. Byrd; Cas., A. H. Ragan.

NORTH DAKOTA.

Hannaford—Griggs County Bank; capital, $10,000; Pres., A. H. Berg; Cas., A. T. Anderson.

Mandan—Farmers' & Merchants' Bank; capital, $25,000; Pres., T. A. Cummins; Vice-Pres., W. Simpson; Cas., Jos. H. Yunck.

Sherwood—Farmers' & Merchants' State Bank; capital, $1,000; Pres., E. J. Weiser; Vice-Pres., T. R. McFarlane; Cas., O. J. Clark.

OKLAHOMA.

Columbus—Produce Exchange Bank; capital, $50,000; Pres., Albert O. Glock; Vice-Pres., J. J. Tanian; Cas., A. F. Durant; Treas., W. O. Frohock.

Pomeroy—Farmers' Bank & Trust Co., capital, $50,000; Pres., W. F. Reed; Vice-Pres., Thomas Turnbull; Cas., Geo. H. Parker.

Springboro—Farmers' Bank; Pres., Thomas Miller; Vice-Pres., W. S. Wilkerson; Cas., B. C. H. Simpson.

OKLAHOMA.

Hennessey—Hennessey State Bank (successor to Hennessey National Bank); capital, $10,000; Pres., W. W. Parks; Vice-Pres., J. W. Smith; Cas., C. C. Smith.

Jefferson—Farmers' State Bank; capital, $10,000; Pres., John T. Stewart; Vice-Pres., E. F. Quigley; Cas., E. L. Quigely.

Manitou—Bank of Manitou; capital, $10,000; Pres., S. D. Bailey; Cas., C. J. Hellwig; Asst. Cas., C. S. Blackburn.

Mountain Park—Citizens' Bank; capital, $10,000; Pres., C. E. Jecks; Vice-Pres., L. A. Schooler; Cas., R. H. Jones.

PENNSYLVANIA.

Carlisle—Mutual Savings Bank; Pres., E. J. Gardner; Vice-Pres., F. E. Thompson; and Merkel Landin; Treas., Frank E. Herr.

Philadelphia—Huey Bros. & Co.

Pittsburg—Liberty Savings Bank; capital, $100,000; Pres., Ira F. Brainard; Vice-Pres., Edward M. Bigelow; Cas., James F. Collins.

RHODE ISLAND.

Providence—Lewis H. Tappan & Co.

SOUTH CAROLINA.

Starr—Bank of Starr; Pres., A. S. Barnie; Vice-Pres., J. R. Vandiver; Cas., W. A. Hardy.

SOUTH DAKOTA.

Willow Lake—Security State Bank; capital, $10,000; Pres., C. J. Chinburg; Vice-Pres., C. H. Chase; Cas., Ed. E. Williams.

TENNESSEE.

Camden—Farmers' & Merchants' Bank; capital, $25,000; Pres., L. E. Davis; Vice-Pres., A. Fry; Cas., A. S. Justice.

Dyer—Bank of Dyer; capital, $12,500; Pres., W. S. Coulter; Vice-Pres., W. J. Davidson; Cas., J. H. McDearmon.

TEXAS.

Bridgeport—Farmers' & Merchants' Bank; capital, $10,000; Pres., A. B. Conley, Jr.; Vice-Pres., D. M. Willson; Cashier, H. G. Leonard; Asst. Cas., James M. Willson.

Caddo Mills—Caddo Mills Banking Co.; capital, $10,000; Pres., E. W. Harrison; Vice-Pres., A. A. Bain; Cashier, J. R. Bass.

Conroe—Tharp & Griffith (successor to First National Bank); capital, $60,000; Pres., D. C. Tharp; Cashier, Banks Griffith; Asst. Cashier, B. L. Laws.

Gainesville—Eddleman, Smith & Co.; capital, $100,000; Pres., W. H. Eddleman; Vice-Pres., Cicero Smith; Cashier, A. T. Snoddy.

Haskell—Farmers' Exchange Bank (R. C. Montgomery).

Thornton—Continental Bank & Trust Co.; (Branch of Fort Worth).

VIRGINIA.

Brookneal—Bank of Brookneal; capital, $10,000; Pres., E. R. Monroe; Vice-Pres., W. I. Walthall; Cashier, Jno. L. Wade, Jr.

Dante—Russell & Dickenson Bank; capital, $25,000; Pres., S. R. Jennings; Vice-Pres., R. W. Dickenson; Cashier, J. E. Duff; Asst. Cashier, J. L. Jennings.

WASHINGTON.

Asotin—Bank of Asotin Co.; capital, $2,500; Pres., Chas. Isecke; Cashier, John B. Bell.

Ferndale—Ferndale State Bank; capital, $10,000; Pres., Chas. Cissna; Vice-Pres. and Cashier, H. E. Campbell; Asst. Cashier, Ray C. Cissna.

Goldendale—State Bank (successor to Bank of Goldendale); capital, $25,000; Pres., Andrew Melgard; Cas., Hawkin Melgard; Asst. Cas., Roy E. Crooks.

Medical Lake—Medical Lake State Bank; capital, $15,000; Pres., Eugene Enloe; Vice-Pres., W. R. Cunningham, Jr.; Cas., O. H. Greene; Asst. Cas., B. W. Hughs.

Prescott—First State Bank (successor to Bank of Prescott); capital, $25,000; Pres., F. L. Wells; Cashier, E. B. Sweet.

WISCONSIN.

Humbird—First State Bank; capital, $5,000; Pres., John Babler; Vice-Pres., Rosina Babler; Cas., C. H. Sanders.

Mauston—State Bank; capital, $25,000; Pres., W. F. Winsor; Vice-Pres., P. D. Curran; Cas., W. J. Troy.

Mosinee—State Bank; capital, $8,000; Pres., A. von Berg; Vice-Pres., E. J. von Berg; Cas., W. E. von Berg.

Strum—First State Bank; $6,000; Cas., John A. Nelson.

CANADA.

ONTARIO.

Amherstburg—Molsons Bank; W. S. Falls, Mgr.

Brockville—Crown Bank of Canada; W. P. Sloane, Mgr.

Galt—Sovereign Bank of Canada; W. Philip, Mgr.

Preston—Bank of Toronto; J. K. Ball, Mgr.

Toronto—Home Bank of Canada, Eugene O'Keefe, Pres.; Gen. Mgr., James Mason.

NORTHWEST TERRITORY.

Abernethy—Bank of Hamilton; J. G. Henderson, Mgr.

Balgonie—Imperial Bank of Canada; J. A. Boyle, Mgr.

Claresholm—Canadian Bank of Commerce.

NOVA SCOTIA.

Buctouche—People's Bank of Halifax; Act. Mgr., J. W. Hall.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Citronelle—First National Bank; H. O. McMain, Pres. in place of E. F. Ballard; no Vice-Pres. in place of Geo. S. Weems; L. Otto Stuber, Cas. in place of H. O. McMain.

Mobile—Central Trust Co.; A. C. Danner, Pres., F. B. Merrill, Vice-Pres.

CALIFORNIA.

Palo Alto—First National Bank; C. E. Jordan, Asst. Cas. in place of H. P. Bennett.

Pasadena—Pasadena National Bank; Gilbert W. Pratt, Pres. in place of L. Perrin; H. Newby, Vice-Pres. in place of Gilbert W. Pratt; E. J. Pyle, Cas. in place of H. Newby; H. C. Holt, Asst. Cas. in place of E. J. Pyle.

Pomona—National Bank of Pomona; title changed to American National Bank.

San Diego—National Bank of Commerce; Victor E. Shaw, Cas. in place of C. L. Williams.

San Francisco—Bank of California; William Alvord, Pres., deceased. —First National Bank; James K. Lynch, 2d Vice-Pres., J. K. Moffitt, Cas. in place of James K. Lynch; no Asst. Cas. in place of J. K. Moffitt.—Western National Bank; F. L. Holland, Cas. in place of C. S. Scott.

COLORADO.

Canon City—First National Bank; Ned C. Craven, Cas., resigned.

CONNECTICUT.

Bridgeport—City National Bank; C. E. Hough, Cas. in place of Frederick C. Burroughs.

Hartford—Society for Savings; Francis Buell Cooley, Pres., deceased.

New Britain—New Britain Savings Bank; Levi S. Wells, Pres., deceased.

New Haven—National Tradesmen's Bank; Frederick C. Burroughs, Cas. in place of H. W. Thompston; Frank B. Frisbie, Asst. Cas.

GEORGIA.

Chipley—Bank of Chipley; J. T. Wisdom, Asst. Cas.

Cordele—Cordele National Bank; Barnwell Sams Dunlap, Cas. in place of B. H. Palmer.

Davisboro—Davisboro Bank; M. S. Potter, reported an embezzler.

Royston—Bank of Royston; capital increased to $50,000.

Statesboro—Sea Island Bank; capital increased to $50,000.

IDAHO.

Kendrick—Kendrick State Bank; John W. Bradbury, Cas.; L. P. Bradbury, Asst. Cas.

ILLINOIS.

Findlay — Findlay Bank; Claude Laughlin, Cas.

Flora—First National Bank; Chas. E. Hemphill, Asst. Cas. in place of C. H. Bothwell, resigned.——Citizens' State Bank; Lew M. Little, Cas. in place of Chas. C. Smith.

Martinsville—First National Bank; Osby Logue, Asst. Cas. in place of B. Linn.

Ridge Farm—First National Bank; P. H. Smith, Pres.; H. G. Barker, Cas. in place of P. H. Smith.

INDIANA.

Fort Wayne—Old National Bank; Henry C. Bond, Pres. in place of Stephen B. Bond; no Vice-Pres. in place of Henry C. Bond; Charles E. Bond, Cas. in place of Jared D. Bond; G. A. Schwegman, Asst. Cas. in place of Charles E. Bond.
Lawrenceburg — Citizens' National Bank; Cornelius O'Brien, Cas.; Clarence Hunter, Asst. Cas.
Muncie—Delaware County National Bank; William E. Hitchcock, Pres. in place of J. C. Johnson, deceased.
North Manchester — Indiana State Bank; Aaron Ulrey, Pres. in place of W. H. Shaffer, resigned.

IOWA.

Alta—First National Bank; N. H. Bischel, Asst. Cas. in place of A. V. Converse.
Cedar Rapids—Fidelity Trust & Savings Bank; L. M. Rupert, Secretary, deceased.
Cushing—Cushing Savings Bank; C. E. Hass, Cas.
Dubuque—German Bank; title changed to German Savings Bank.
Eagle Grove—State Bank and Citizens' State Bank; consolidated under latter title.
Titonka—First National Bank; Fred Stevens, Cas. in place of Samuel A. Schneider.
Wapello—Wapello State Bank; W. H. Colton, Cas., reported an embezzler.

KANSAS.

Havensville—First National Bank; Grace Leporin, Asst. Cas. in place of Grace Morgan.
Wellington — Wellington National Bank; J. P. Wimer, Cas. in place of E. B. Wimer, deceased.

KENTUCKY.

Cynthiana—Farmers' National Bank; M. D. Martin, Vice-Pres. in place of A. Webber.

LOUISIANA.

Greensburg—Bank of Greensburg; M. L. Maul, Pres., resigned.
New Orleans—U. S. Safe Deposit & Savings Bank; Frank T. Howard, Vice-Pres. —— Whitney National Bank; John E. Bowden, Jr., Vice-Pres.

MAINE.

Waterville — Merchants' National Bank; Cyrus W. Davis, Pres. in place of John Ware.

MARYLAND.

Baltimore—Western National Bank; James Shriver, Vice-Pres., resigned.
Denton—Denton National Bank; Harvey L. Cooper, Pres. in place of Thomas W. Jones, deceased.

MASSACHUSETTS.

Boston—National Security Bank; Charles R. Batt, Pres. in place of Samuel A. Carlton, deceased; D. Webster King, Vice-Pres.; Chas. S. Osgood, Cas. in place of Chas. R. Batt; no Asst. Cas. in place of Chas. S. Osgood.—Old Colony Trust Co. and Copley Trust Co.; consolidated under former title.
Brookline—Brookline National Bank; C. H. Draper, Pres. in place of C. H. W. Foster; C. S. Burleigh, Cas. in place of W. S. Camp.
Fall River—First National Bank; John S. Brayton, Pres. in place of John S. Brayton, Sr., deceased; David A. Brayton, Jr., Vice-Pres. in place of John S. Brayton Jr.
Lawrence—Broadway Savings Bank; William F. Rutter, Pres. in place of Alfred A. Lamprey; Wilbur E. Rowell, Vice-Pres. in place of Wm. F. Rutter.
Lowell—Appleton National Bank; Geo. C. Taylor, Vice-Pres., deceased.
Wellfleet—Wellfleet Savings Bank; Thomas Kemp, Pres., deceased.

MICHIGAN.

Carleton—Bank of Carleton; title changed to State Savings Bank; capital, $20,000.
Detroit—Old Detroit National Bank; A. W. Ehrman, Asst. Cas., deceased.

MINNESOTA.

Clarkfield—First National Bank; B. A. Angell, Pres. in place of John B. Piersol, deceased.
Lewiston—First State Bank; Aug. Lietzow, Pres.; J. W. Rice, Vice-Pres.
Minneapolis—Security Bank of Minnesota; Julius S. Pomeroy, Cas. in place of Thomas Hurley, deceased.
Perham—First National Bank; S. J. Rasmussen; Pres. in place of C. W. Baumback; R. G. Claydon, Cas. in place of C. H. Woodward; no Asst. Cas. in place of R. G. Claydon.
Red Wing—First National Bank; F. H. Wellcome, Pres. in place of Jesse McIntire; H. H. Buck, 2d Vice-Pres.; C. W. Crandall, Asst. Cas. in place of Hiram Howe.
Ruthton—First National Bank; E. W. Davies, Pres. in place of Cary Diehl; S. B. Duea, Cas. in place of M. J. Calderwood.
Wheaton—First National Bank; W. E. Burton, Vice-Pres., deceased.
Worthington — Citizens' National Bank; O. G. Grundsten, Vice-Pres. in place of J. D. Humiston.

MISSISSIPPI.

Batesville—Bank of Batesville; M. E. Jarratt, Asst. Cas., resigned.
Carthage—Leake County Bank; W. H. Hutter, Cas., resigned.
Natchez — Merchants' & Planters' Bank; Simon Moses, Pres. in place of Maurice Moses, deceased.

MISSOURI.

Clarence—Citizens' Bank; T. P. Manuel, Cas.; Clyde Jones, Asst. Cas.
Fulton—Southern Bank; Charles W. Jameson, Pres., deceased.
Independence — Chrisman - Sawyer Banking Co., Geo. L. Chrisman, Vice-Pres., retired.
Jamesport—National Bank of Jamesport; title changed to First National Bank.
Kirksville—Baird National Bank; W. T. Baird, Pres. in place of S. M. Link, deceased; Frank Baird, Cas in place of W. T. Baird.
St. Joseph—German-American Bank; William Krug, Pres. in place of Henry Krug, Sr.
St. Louis—Missouri-Lincoln Trust Co.; Pinckney French, Treas. in

place of Joseph L. Hanley; M. P. Murray, Jr., Asst. Treas. in place of Pope Sturgeon, resigned.—Mechanics' National Bank; Benjamin B. Graham, Vice-Pres., deceased.

NEBRASKA.

Bartley—State Bank; capital increased to $10,000.

Norfolk—Citizens' National Bank; T. F. Memminger, Pres. in place of G. A. Luikart; W. J. Stafford, Asst. Cas. in place of J. E. Haase.

Omaha—Merchants' National Bank, Frank Murphy, Pres., deceased.

Oxford—Commercial State Bank; capital increased to $25,000.

Silver Creek—State Bank; M. L. Rossiter, Cas., resigned.

St. Edward—Smith National Bank; W. A. L. Gibbon, Cas. in place of Lon A. Tuttle.

NEW HAMPSHIRE.

Portsmouth—Rockingham National Bank; John J. Pickering, Pres., deceased.

NEW JERSEY.

Bayonne—Mechanics' Trust Co.; De Witt Van Buskirk, Pres. pro tem. in place of Charles S. Noe.

Somerville—First National Bank; J. Newton VanDerbeek, Pres. in place of Peter DeWitt, deceased.

NEW YORK.

Albany—National Exchange Bank; John D. Parsons, Jr., Pres., deceased; also President Albany Trust Co.

Brooklyn—Dime Savings Bank; J. Lawrence Marcellus, Pres. in place of B. H. Huntington; R. S. Walker, Treas. in place of J. Lawrence Marcellus; Frederick W. Jackson, Asst. Treas.

Glens Falls—Glens Falls National Bank; Jeremiah W. Finch, Pres., deceased.

New York—National Shoe & Leather Bank; John A. Hiltner, 2d Vice-Pres. and Cas., deceased.—Astor Place Bank; Alfred Cutler Barnes, Pres., deceased.

Oswego—Second National Bank; F. A. Emerick, Vice-Pres. in place of Robert S. Sloan.

Port Henry—Citizens' National Bank; J. W. Wyman, Pres., deceased.

Spring Valley—First National Bank; Glade Requa, Vice-Pres., deceased.

Watertown—National Union Bank; W. W. Taggart, Pres., deceased; also Pres. Watertown Savings Bank.

NORTH CAROLINA.

Gastonia—First National Bank; capital increased to $100,000.

NORTH DAKOTA.

New Salem—National Bank; Ernest Bacon, Pres. in place of A. D. Clarke; W. A. Lanterman, Vice-Pres. in place of W. H. Mann; Andrew L. Schoetz, Asst. Cas. in place of E. H. Mann.

OHIO.

Bethel—First National Bank; G. G. Bambach, Cas. in place of E. J. Fagley.

Bucyrus—First National Bank; E. G. Beal, Cas. in place of J. B. Gormly, Jr.

Columbus—Deshler National Bank; Jno. G. Deshler, Pres. in place of G. W. Sinks; no Vice-Pres. in place of Jno. G. Deshler.—Merchants' & Manufacturers' Nat. Bank; Henry L. Lanum, Asst. Cas. in place of M. H. Sims.

Collinwood—Wade Park Banking Co.; absorbed by Cleveland Trust Co.

Coshocton—Citizens' Banking & Trust Co. and People's Banking & Trust Co.; consolidated under latter title. J. L. Rue, Pres.; R. H. Mills, Cas.

Cridersville—Home Bank; John R. Reichelderfer, Pres., deceased.

E. Liverpool—First National Bank; David Boyce, Pres., deceased.

Lima—Commercial Bank: Baxter & Sons sold out to I. T. & H. M. Moore.

Malta—Malta National Bank; L. B. Simpson, Vice-Pres. in place of R. K. Brown.

Mount Pleasant—Mount Pleasant National Bank; Michael Gallagher, Pres. in place of R. W. Chambers; E. B. Jones, Vice-Pres. in place of Oliver Thomas.

Newark—People's National Bank; Benjamin Franklin, Pres., deceased.

Newcomerstown — First National Bank; C. B. Vogenitz, Cas. in place of W. T. Robinson; no Asst. Cas. in place of C. B. Vogenitz.

Senecaville—First National Bank; G. F. Pollock, Cas.

Willoughby—Wade Park Banking Co.; absorbed by Cleveland Trust Co.

OKLAHOMA.

Sayre—First National Bank; E. K. Thurmond, Pres. in place of A. L. Thurmond; C. H. Tinker, Cas. in place of E. K. Thurmond; C. E. Gannaway, Asst. Cas. in place of C. H. Tinker.

OREGON.

Eugene—First National Bank: capital increased to $100,000.

Sumpter—First National Bank; Jas A. Howard, Pres. in place of J. W. Scriber; Clark Snyde, Vice-Pres. in place of E. W. Mueller; R. H. Benedict, Asst. Cas. in place of H. S. Durgan.

PENNSYLVANIA.

Bellwood—First National Bank; Chas. A. Cunningham, Cas. in place of C. A. Paterson.

Canonsburg—First National Bank; William Martin, Pres., deceased.

Catawissa—C. P. Pfahler, Vice-Pres.; C. S. W. Fox, Cas.; Nelle P. Vastine, Asst. Cas.

Elizabeth — State Bank; Harry Caulkett, Cashier in place of Joseph Nevin; C. M. Thompson, Asst. Cas.

Ephrata—Farmers' National Bank; Adam Geist, Pres., deceased.

Herndon—First National Bank; J. S. Krebs, Vice-Pres. in place of Jno. D. Bogar.

Philadelphia — National Bank of Northern Liberties; E. S. Kromer, Cas. in place of L. C. Simon; F. M. Hardt, Asst. Cas. in place of E. S. Kromer.—F. Dundore & Co.; Franklin Dundore, deceased.

Waynesboro—People's National Bank; W. Tell Omwake, Pres. in place of Daniel Hoover, deceased.

SOUTH CAROLINA.

Greenville—People's Bank; Wm. A. Hagood, Vice-Pres. in place of James A. Hoyt.

Jonesville—Bank of Jonesville; Geo. C. Perrin, Jr., Cas. in place of Joseph H. McKissick.

SOUTH DAKOTA.

Deadwood—Black Hills Trust & Savings Bank; capital increased to $100,000.

Fairfax—Fairfax State Bank; capital increased to $15,000.

Hudson—Hudson State Bank; Ernest D. Cassill, Cas., deceased.

Java—First State Bank; Pres., Jacob Stoller; Vice-Pres., Jos. Hofmeyer; Cas., W. C. Hicks.

TENNESSEE.

Huntingdon—Bank of Huntingdon; W. W. Murray, Pres.

Jackson—Union Bank & Trust Co.; capital increased to $100,000.

Southside—Bank of Southside; capital increased to $10,000.

Tullahoma—First National Bank; W. B. Frierson, Cas. in place of Allan Parker.

TEXAS.

Baird—First National Bank; T. E. Thornton, Cas.; no Asst. Cas. in place of P. B. Rowland.

Beaumont—Gulf National Bank; Burt Hoopes, Asst. Cas., resigned.

Caldwell—Caldwell National Bank; capital increased to $40,000; J. C. Womble, Pres. in place of Otho S. Houston.

Celina—First National Bank; A. A. Fielder, Pres. in place of J. H. L. C. English; no Asst. Cas. in place of J. E. Lipscomb.

Graham—Beckham National Bank; J. M. Norman, Cas. in place of Wm. D. Craig, deceased.

Granger—First National Bank; A. W. Storrs, Pres.; I. N. Keller, Cas.

Killeen—First National Bank; Will Rancier, Pres. in place of Spencer Young; A. J. Hoover, Vice-Pres. in place of J. E. Root.

Merkel—First National Bank; Geo. S. Berry, Pres. in place of J. T. Warren; C. W. Bacon, Vice-Pres. in place of G. F. West; no Cas. in place of T. A. Johnson; R. M. Barnes, Asst. Cas.

Nocona—National Bank of Nocona; title changed to Nocona National Bank.

Tyler—Jester National Bank; John Howard, Cas.

VIRGINIA.

Newport News—City Bank; absorbed by Newport News National Bank.

Winchester—Farmers' & Merchants' National Bank; Lewis N. Barton, Asst. Cas., deceased.

Wytheville—Bank of Wytheville; C. H. Brown, Cas. in place of J. G. Brown, deceased.

Lake Nebagamon—Bank of Lake Nebagamon; B. Murray Peyton, Pres.; A. W. Echart, Vice-Pres.; Russell Baxter, Cas.

Milwaukee—Marshall & Ilsley Bank; Charles F. Ilsley, Pres., deceased.

Oconto—Oconto National Bank; Geo. Beyer, Pres.

Plainfield—Waushara County Bank; capital increased to $25,000.

Plymouth—State Bank; capital increased to $50,000.

WYOMING.

Cody—First National Bank; Harry R. Weston, Cas. in place of I. O. Middaugh, deceased.

CANADA.

BRITISH COLUMBIA.

Greenwood—Bank of Montreal; F. J. Proctor, Mgr.

Nanaimo—Royal Bank of Canada; J. H. Ferguson, Mgr., resigned.

Nelson—Bank of Montreal; L. B. de Veber, Mgr. in place of A. H. Buchanan.

QUEBEC.

Montreal—Sovereign Bank of Canada; Randolph MacDonald, Pres. in place of H. S. Holt, resigned; A. A. Allan, Vice-Pres.; Duncan M. Stewart, 2d Vice-Pres. and Mgr. Closed.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

GEORGIA.

Wrightsville—Citizens' Bank.

IOWA.

Dedham—Dedham Savings Bank.

Olin—Bank of Olin.

Primghar—Farmers' National Bank; in voluntary liquidation November 10; consolidated with First National Bank.

MASSACHUSETTS.

North Adams—Berkshire National Bank; in voluntary liquidation November 21.

NEBRASKA.

O'Neill—Elkhorn Valley Bank.

NEW YORK.

Buffalo—German Bank.

NORTH CAROLINA.

Gastonia—Gastonia Banking Co.

OHIO.

Cleveland—Mercantile National Bank; in voluntary liquidation December 1; succeeded by the National Commercial Bank.

Conneaut—First National Bank; in hands of Receiver December 20.

Oberlin—Citizens' National Bank; in hands of Receiver November 28.

TEXAS.

Angleton—Bank of Angleton.

Velasco—Bank of Velasco.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, January 3, 1905.

"FRENZIED FINANCE" played a conspicuous part in Wall Street affairs last month. The advance in prices of securities, which had been very rapid in November, seemed to gain increased momentum early in December with apparent promise of continuing until the end of the year. Then came a remarkable announcement from Mr. Lawson, a Boston operator, and there followed an extraordinary drop in the stock market. Amalgamated Copper, which earlier in the year had sold at 43⅛, on December 1 was selling at 82¾. This was the stock to which Mr. Lawson gave his personal attention, and on December 8 it was down to 58½. The break was communicated to the rest of the market and a number of stocks declined as much as ten per cent., while the transactions aggregated more than at any previous time since May, 1901.

Not the least remarkable feature, however, was the substantial recovery which followed later in the month, and which left prices at the close of the year in some cases at the highest point recorded in the year, and in many cases at very much higher figures than were ruling a year ago.

For the investor the year 1904 has been a very favorable one. Stocks and bonds have made large gains. Among the stocks which have advanced are: Atchison, 17⅝; Baltimore and Ohio, 25⅛; Canadian Pacific, 13⅝; Central of New Jersey, 28½; St. Paul, 25¼; Northwest, 39; Delaware & Hudson, 18; Lackawanna, 71; Denver & Rio Grande, 12; Erie, 8⅛; Illinois Central, 25⅛; Louisville & Nashville, 29⅝; Manhattan, 21; Missouri, Kansas and Texas, 14½; Missouri Pacific, 13⅝; New York Central, 22¾; Norfolk and Western, 22⅛; Southern Pacific, 14⅞; Southern, 14⅛; Union Pacific, 33¼; Amalgamated Copper, 19⅛; American Sugar, 14¼; United States Steel, common, 17½, and the preferred 25 per cent. These are all net gains for the year.

Similar advances have been made in bonds, although not so large except in a few instances. Many of these securities show gains of from five to ten per cent., while some of the exceptional advances were: Central of Georgia 1st preferred incomes, 23 per cent.; Rock Island 4's, 13⅝, and collateral trust 5's 19½; Colorado Midland 4's, 19; Iron Mountain 4's, 9⅝; Kansas City, Ft. Scott and Memphis 4's, 11; San Antonio and Aransas Pass 4's, 11⅜; Union Pacific 1st lien 4's, 17⅜; Oregon Short Line 4's, 12⅛; Consolidated Tobacco 4's, 17⅞; Distillers' Securities 5's, 15⅛, and United States Steel 5's 21⅝.

Whether these advances are justified in the condition or prospects of the properties which the securities represent, is a question that each investor must answer for himself. But that it is not all frenzy, seems to be the prevailing opinion in financial circles.

There are many evidences of a prosperous condition that must be given recognition. From the commercial exchanges generally the reports for the year are favorable. The earnings of the railroads both gross and net have shown considerable improvement since the summer, although the year's full returns will probably show only a small increase in gross and a decrease in net. Yet some of the railroads have given evidence of increased prosperity. The Reading last month declared its first dividend on the common stock, 1½ per cent., payable February 1. The Louisville and Nashville increased its semi-annual dividend from 2½ to 3 per cent. The Delaware, Lackawanna and Western decided to distribute an extra dividend of ten per cent. among its stockholders, and the Pennsylvania Company, which operates the Penn-

sylvania Railroad lines west of Pittsburgh, declared a dividend of five per cent., as against four per cent. in 1903 and three per cent. in 1902.

The confidence as well as the financial strength of investors was apparent in the important financial transactions completed and proposed last month. Early in the month it was announced that a firm of bankers had purchased $25,000,000 bonds of the Missouri Pacific Railway. The Atchison announced the issue of $50,000,000 which another banking house had agreed to take. An issue of $40,000,000 Mexican Government bonds was subscribed by individual investors, and several smaller issues of bonds of railroad and other companies were marketed.

The interest and dividend disbursements to be made in January, it is estimated, will exceed all previous records. A total of $136,600,000 will be paid out by leading railroad and industrial corporations, banking institutions, the Government and New York city. This is an increase of $3,000,000 compared with a year ago.

In view of so large a disbursement of money pending, a tightening of the money market at the end of the year might have been expected, yet the market has been abnormally easy, and this while gold was being exported. The prospect of easy money during the early part of the new year seems to justify the expectation that there will be no change in the investment situation. Although the new issues of securities in the last year have approximated $600,000,000, it is possible that this amount will be exceeded in the coming year, pending issues that have been authorized nearly reaching that figure.

The local money market throughout the year has been exceptionally easy. At no time after the first week in January did call money go above three per cent. until the last week of November. The rate then touched four per cent. and advanced to five per cent. in the first week of December, but at the close of the year ruled at 2½ @ 3 per cent.

During the flurry in the stock market last month the New York banks contracted their loans about $30,000,000 and deposits were reduced about the same amount. The surplus reserve fell to about $8,000,000 but late in the month there was a substantial gain in all these items. The banks close the year with loans and deposits both larger than at any similar period in previous years, and the surplus is larger than it was at the close of either of three previous years. The following is a comparison of the condition of the banks for the last five years:

	1900.	*1901.*	*1902.*	*1903.*	*1904.*
Loans	$803,989,600	$869,546,600	$875,852,100	$908,570,500	$1,066,701,200
Deposits	870,950,100	926,204,100	878,115,000	885,178,900	1,104,049,100
Specie	164,827,800	164,808,800	154,998,700	160,675,800	208,554,800
Legal tenders	67,059,800	74,257,800	78,478,900	70,410,800	81,140,900
Surplus reserve	14,150,075	7,515,575	10,198,850	9,541,875	18,683,425
Circulation	30,962,500	31,874,200	45,705,200	44,925,400	43,145,300

Compared with a year ago loans show an increase of $158,000,000, deposits of $218,000,000, specie of $48,000,000 legal tenders of $11,000,000, and surplus reserve of $4,000,000. Circulation has been reduced about $1,800,000.

While the general situation presents many favorable features, there have been some disturbing influences. The recommendation contained in the President's message to Congress looking to increased authority of the Inter-State Commerce Commission in the matter of fixing rates for railroad transportation caused considerable adverse criticism, and to some extent contributed to the break in the stock market. The report of Commissioner Garfield, of the Bureau of Corporations, also recommended that a Federal franchise or license should be granted to corporations to engage in inter-State commerce. The proposition involves such a broadening of the powers of the National Government, that it has met with considerable criticism.

Cotton has also been an important factor. A year ago cotton was the one staple which was commanding a big price. The crop was short in the United States, and the world's supply was not equal to the demand for consumption.

The price reached 13.5 cents in New York, and planters were preparing to increase their output. The Agricultural Department on December 3 issued a report indicating that this year's yield of cotton would reach 12,162,000 bales. Ten days later it reported 11,971,477 bales ginned, which would indicate a total yield of probably 12,750,000 bales. That would exceed the 1903 crop by 2,600,000 bales and the maximum crop of 1898 1,500,000 bales. It is not surprising therefore that the price of cotton has fallen to less than 7 cents, although that figure approximates the lowest cost of production.

The iron industry presents the reverse of this picture, for while production has increased until it is now at the rate of 18,000,000 tons a year, consumption is at the rate of 19,000,000 tons and promises to increase to 20,000,000 tons. Prices as a consequence are advancing steadily.

The record of railroad building during the year just ended indicates that the railroads have exercised conservatism. The new track laid will not much exceed 4,000 miles, the smallest total since 1898. Compared with 1903 there has been a reduction in new mileage of 1,600 to 1,800 miles. In the last seven years, covering a period of very general prosperity, the railroads built 32,500 miles of track, as compared with 18,500 miles during the previous seven years, 1891-1897, an increase of about eighty per cent. A portion of the reduced construction last year was undoubtedly due to the depression in business which existed early in the year and unfavorably affected railroad earnings. A favorable change in these conditions later in the year suggests a possible increase in building activity in the coming year.

A preliminary report of the Inter-State Commerce Commission gives some interesting statistics for the year ended June 30, 1904, which covers the worst period of the depression. The report embraces returns for roads representing 209,002 miles of line, or about ninety-nine per cent. of the mileage that will be covered by the final report. The gross earnings were $1,966,633,821, as against $1,900,846,907, on 205,313 miles, in the previous year. The gross earnings per mile were $9,410, or $152 more than in 1903. This is the largest average for any year since the Commission was organized. The operating expenses were $6,375 per mile, or $250 more than for the year 1903. The ratio of operating expenses to earnings was 67.75 per cent., as against 66.16 per cent. in the previous year. The net earnings of practically the same roads were, in 1904, $634,250,873, and in 1903, $640,644,138. The surplus of the roads embraced in the report was $52,078,947. The final report for 1903, covering both operating and leased roads, showed a surplus of $99,227,469. The companies included in the report declared dividends in 1904 of $184,450,466 while the dividends declared by essentially the same companies in 1903 were $160,856,307, thus showing an increase of $23,594,139 in dividends for 1904.

The Agricultural Department last month issued its usual annual estimate of yield and farm value on December 1 of the principal crops raised in 1904. As good crops are recognized as a substantial foundation for prosperity, the Government figures may be accepted as highly encouraging. The aggregate value of the ten principal crops, exclusive of cotton, which is valued at more than $500,000,000, closely approximates $2,735,000,000, the largest total ever recorded. We give the average, production and farm value as reported by the Government as follows:

	Acreage.	*Production, bushels.*	*Farm value, Dec. 1, 1904.*
Corn	92,231,581	2,467,480,934	$1,087,461,440
Winter wheat	26,865,855	332,935,346	325,611,478
Spring wheat	17,209,020	219,464,171	184,878,501
Oats	27,842,669	894,595,552	279,900,013
Rye	5,145,878	139,748,958	58,651,807
Barley	1,792,673	27,234,565	18,745,543
Buckwheat	793,625	15,008,336	9,330,768
Flaxseed	2,263,565	23,400,534	23,228,758
Rice	662,006	21,096,038	13,891,523
Potatoes	3,015,675	332,830,300	150,673,392
Hay	39,998,602	*60,696,028	529,107,625
Tobacco	806,409	†660,460,789	53,382,959

*Tons. †Pounds.

As regards quantity there have been more bountiful years for a number of the crops. The yield of corn was larger in 1902 by 56,000,000 bushels, but

the value was less by $70,000,000 in that year, the only year in which it ever reached $1,000,000,000 prior to 1904. The total wheat crop last year was 552,399,517 bushels, and that yield has been exceeded five times, in 1891, in 1898 and in each of the three years 1901 to 1903 inclusive. The maximum yield was 748,460,218 bushels in 1901. The aggregate value was exceeded only once, in 1891, when it reached $513,472,711 as compared with $510,489,874 in 1904.

The yield of oats is 93,000,000 bushels less than in 1902 but larger than in any other year. The value is less than in either 1901 or 1902. Barley is the largest crop ever harvested, exceeding the yield of 1902 by nearly 5,000,000 bushels, but the value is $3,000,000 less than in 1902 and $1,500,000 less than in 1901. The yield of rye has frequently been larger than in 1904, the record yield of that staple being 33,630,592 bushels in 1902. The record for value was made in 1891 when the total was $24,589,217, or nearly $6,000,000 more than in 1904. Buckwheat is not produced in the same quantity that it was about forty years ago, but the yield last year was nearly as large as in any year since 1869, and this is true as to the value.

As to the other crops the record does not extend over so long a period. The yield and value of flax seed are less than in either 1902 or 1903. The potato crop is 85,000,000 bushels larger than in 1903 and 145,000,000 bushels larger than in 1901, while the value is $1,000,000 less than in 1903, but larger than in any other year in the last seven years. The hay crop is the largest since 1898 excepting in 1903, but the value is less than in either 1902 or 1903. The tobacco crop is also smaller in yield and value than in the previous two years. The following table shows the value on December 1 of each crop in the last six years:

	1899.	*1900.*	*1901.*	*1902.*	*1903.*	*1904.*
Corn	$629,210,110	$751,220,034	$921,555,768	$1,017,017,349	$952,868,801	$1,087,461,440
Wheat	319,545,259	323,525,177	467,350,156	422,224,117	443,024,826	510,489,874
Oats	198,167,975	208,669,233	293,658,777	303,584,852	267,661,665	279,900,013
Barley	29,594,254	24,075,271	49,705,163	61,898,634	60,166,313	58,651,807
Rye	12,214,118	12,295,417	16,909,742	17,080,793	15,993,871	18,745,543
Buckwheat	6,183,675	5,341,413	8,523,317	8,654,704	8,650,733	9,330,768
Flaxseed	....	....	....	30,814,661	22,291,557	23,228,758
Potatoes	89,328,832	90,811,167	143,979,470	134,111,436	151,638,094	150,673,392
Hay	411,926,187	445,538,870	506,191,533	542,036,364	556,376,880	529,107,625
Tobacco	56,987,902	....	....	80,472,506	55,514,627	53,382,959
Total	$1,758,158,312	$1,861,476,582	$2,407,873,926	$2,617,895,416	$2,534,187,367	$2,720,972,179

Foreign Banks.—All the larger European banks lost gold last month except Russia, which gained $7,000,000. The Bank of England lost $13,000,000, France, Germany and Austria-Hungary each $2,000,000. All hold more gold than they did a year ago; the Bank of England $5,000,000 more, France $59,000,000, Germany $36,000,000, Russia $85,000,000 and Austria-Hungary $10,000,000.

Gold and Silver in the European Banks.

	November 1, 1904.		*December 1, 1904.*		*January 1, 1905.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£36,620,226	....	£32,550,219	....	£29,927,272	....
France	104,354,104	£44,000,521	106,815,629	£44,194,558	106,344,282	£44,088,773
Germany	32,749,000	11,506,000	37,063,000	13,022,000	33,630,000	12,871,000
Russia	97,746,000	7,232,000	100,979,000	6,791,000	102,316,000	6,663,900
Austria-Hungary	48,237,000	12,062,000	48,877,000	12,110,000	48,423,000	12,247,000
Spain	14,827,000	20,034,000	14,870,000	19,977,000	14,897,000	19,973,000
Italy	22,042,000	3,424,300	22,112,000	3,170,400	22,170,000	3,166,000
Netherlands	5,520,800	6,052,700	5,529,000	6,123,700	5,623,300	6,285,800
Nat. Belgium	3,298,667	1,649,333	3,229,333	1,614,667	3,268,667	1,634,333
Totals	£365,394,797	£105,960,854	£372,025,181	£107,003,325	£369,599,521	£106,929,806

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Sept. 1.	Oct. 1.	Nov. 1.	Dec 1.	Jan. 1.
Sterling Bankers—60 days	4.84¾– 85	4.83⅜– ½	4.84 – ⅛	4.83⅝– ¾	4.84¾– ⅞
" " Sight	4.87½– ⅝	4.85½–	4.86⅝– ¾	4.86½–⅝	4.87⅛– ¼
" " Cables	4.88 – ⅛	4.85⅞–86	4.87 – ⅛	4.86⅞–87	4.87¾– ⅞
" Commercial long	4.84¼– ¾	4.83⅛– ¼	4.83¼– ¾	4.83¼– ½	4.84½– ⅝
" Docu'tary for paym't.	4.84 – 5⅛	4.82⅝– 3¼	4.83⅜– 4½	4.83 – 4¼	4.83¾– ⅞
Paris—Cable transfers	5.16⅞–	5.17½–	5.15⅝– 3/16	5.16¼–	5.15 3/16– 1/16
" Bankers' 60 days	5.18¾–	5.20 – 19⅜	5.18⅛–	5.18¾–	5.18⅛–
" Bankers' sight	5.17½–	5.18⅛–	5.15⅝–	5.16⅞–	5.16¼–15⅝
Swiss—Bankers' sight	5.17½–16⅞	5.18⅛–	5.16¼–	5.17½–	5.16⅞–
Berlin—Bankers' 60 days	94⅞– 15/16	94⅝– ¾	94 15/16–95	94⅞– 15/16	95 1/16–95
" Bankers' sight	95 3/16– ¼	95 3/16– ¼	95⅜–	95 1/16– ⅛	95⅛–
Belgium—Bankers' sight	5.17½–16⅞	5.18⅜– ⅛	5.16⅞–	5.17½–	5.16⅞–
Amsterdam—Bankers' sight	40¼– 5/16	40 3/16– ¼	40¼–	40⅜–	40⅜–
Kronors—Bankers' sight	26.84–26.86	26.77 –26.79	26.88–26.90	26.83–26.85	26.86–26.88
Italian lire—sight	5.17½–16⅞	5.18⅛–17⅛	5.16⅞ – ¼	5.16¼–15⅝	5.15⅝–

MONEY RATES ABROAD.—No change was made in the posted rates of discount of the leading banks in Europe last month, and open market rates are lower. Discounts of 60 to 90 day bills in London at the close of the month were 2½ per cent., against 3 per cent. a month ago. The open market rate at Paris was 2½ per cent., against 2¼ per cent. a month ago, and at Berlin and Frankfort 3½ per cent., against 3⅞ @ 4 per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Oct. 1, 1904.	Oct. 12, 1904.	Nov. 16, 1904.	Dec. 30, 1904.
Circulation (exc. b'k post bills)	£28,406,000	£28,403,200	£27,686,270	£28,305,000
Public deposits	8,404,000	5,029,600	7,174,714	9,104,000
Other deposits	41,887,000	44,240,200	39,439,155	44,821,000
Government securities	14,227,000	16,298,100	15,610,005	15,610,000
Other securities	25,459,000	28,645,000	24,706,825	35,464,000
Reserve of notes and coin	28,969,000	27,098,300	24,185,954	20,178,000
Coin and bullion	38,921,428	37,051,500	33,402,224	29,927,272
Reserve to liabilities	57½%	54⅞%	51¾%	37¾%
Bank rate of discount	3%	3%	3%	3%
Price of Consols (2¾ per cents.)	88 3/16	88 3/16	88 3/16	88⅝
Price of silver per ounce	26 11/16d.	26 3/16d.	26 13/16d.	28 3/16d.

THE MONEY MARKET.—There was no stringency in the local market during the month, and rates for call money did not go above 5 per cent., while 2 @ 3 per cent. was the ruling rate most of the time. At the close of the month call money ruled at 3½ @ 5 per cent., averaging about 3 per cent. Banks and trust companies loaned at 2½ per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 3 @ 3¼ per cent. for 60 to 90 days, and 3¼ @ 3½ per cent. for 4 to 6 months, on good mixed collateral. For

MONEY RATES IN NEW YORK CITY.

	Aug. 1.	Sept. 1.	Oct. 1.	Nov. 1.	Dec. 1.	Jan 1.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Call loans, bankers' balances	¾–1	⅞ –1	1¾–2½	2 –2½	3½ 4	2½–5
Call loans, banks and trust companies	1 —	1 —	1¾–2½	2 –2½	3½–4	2½–
Brokers' loans on collateral, 30 to 60 days	2 —	2 —	3 —	3 —	4 —	3 - 3¼
Brokers' loans on collateral, 90 days to 4 months	2½–3	2½–3	3¼– ½	3¼– ½	4 —	3¼– ½
Brokers' loans on collateral, 5 to 7 months	3 – ¾	3½–	3½– ¾	3¾–4	4 —	3¼– ½
Commercial paper, endorsed bills receivable, 60 to 90 days	3½– ¾	3½– ¾	4½–	4 –4½	4 –4½	4 –4½
Commercial paper prime single names, 4 to 6 months	3¾–4¼	3¾–4	4½–5	4 –4½	4¼–4¾	4 –4½
Commercial paper, good single names, 4 to 6 months	4½–5	4½-5	5½–6	5½–6	5 –5½	4½– 5

commercial paper the rates are 4 @ 4½ per cent. for 60 to 90 days' endorsed bills receivable, 4 @ 4½ per cent. for first-class 4 to 6 months' single names, and 4½ @ 5 per cent. for good paper having the same length of time to run.

New York City Banks.—Bank deposits continued to decline until the last week of the month, the loss from December 3 to 24 being $33,000,000, making the decrease since September 17 last $130,000,000. Loans were also reduced in the three weeks to December 24, $33,000,000 and fell $88,000,000 below the record figure of October 8. In the last week of the month, however, deposits increased nearly $10,000,000 and loans more than $9,000,000. Compared with a year ago loans show an increase of $158,000,000 and deposits of $218,000,000. The surplus reserve increased each week during the month and is $5,000,000 more than it was a month ago and $4,000,000 more than a year ago.

New York City Banks—Condition at Close of Each Week.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Dec. 3...	$1,090,602,900	$212,561,100	$77,947,500	$1,127,878,100	$8,539,075	$42,126,500	$2,299,046,000
" 10...	1,082,069,400	211,965,100	76,910,100	1,118,040,000	9,365,200	42,534,100	2,245,165,500
" 17...	1,060,057,700	211,142,600	77,433,400	1,096,117,500	14,546,625	42,780,500	1,900,776,100
" 24...	1,057,430,200	210,405,500	78,870,600	1,094,115,500	15,247,225	42,866,900	1,680,795,400
" 31...	1,066,701,200	208,554,800	81,140,900	1,104,049,100	18,683,425	43,145,300	1,882,620,700

Deposits and Surplus Reserve on or about the First of Each Month.

Month.	*1903.*		*1904.*		*1905.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$873,115,000	$10,193,850	$866,178,900	$9,541,850	$1,104,049,100	$18,683,425
February......	931,778,900	27,880,775	1,023,943,800	25,129,050	....	....
March.........	956,206,400	5,951,900	1,027,920,400	32,150,200	....	....
April.........	894,260,000	6,280,900	1,069,369,400	27,755,050	....	....
May...........	905,760,200	11,181,850	1,114,367,800	33,144,250	....	....
June..........	913,081,800	9,645,150	1,098,953,500	29,692,325	....	....
July..........	903,719,800	12,923,850	1,152,988,800	36,105,300	....	....
August........	908,864,500	24,060,075	1,204,965,600	55,969,600	....	....
September....	920,123,900	20,677,925	1,207,302,800	57,375,400	....	....
October.......	897,214,400	18,937,500	1,212,977,100	19,913 425	....	....
November....	885,618,600	10,274,150	1,204,434,200	16,796,650	....	....
December.....	841,552,000	6,125,200	1,127,878,100	8,539,075	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,145,-989,200 on October 8, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

Non-Member Banks—New York Clearing-House.

Dates.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Dec. 3....	$103,543,300	$116,390,200	$4,658,000	$5,968,100	$11,493,300	$7,749,700	$771,550
" 10....	104,976,800	118,404,000	4,474,200	6,325,400	12,786,700	7,085,200	1,070,375
" 17....	104,719,500	116,814,700	4,628,900	6,027,000	11,554,000	7,261,000	267,225
" 24....	102,876,500	116,349,600	4,721,100	5,960,900	12,581,000	7,640,600	1,816,200
" 31....	102,832,800	118,342,700	4,664,700	6,090,600	14,540,200	8,845,500	4,055,325

Boston Banks.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Dec. 3........	$186,910,000	$221,335,000	$15,914,000	$6,627,000	$7,406,000	$161,368,400
" 10........	185,052,000	220,093,000	16,147,000	6,612,000	7,366,000	155,548,800
" 17........	184,487,000	218,363,000	17,098,000	6,487,000	7,415,000	157,414,100
" 24........	182,833,000	218,491,000	17,646,000	6,326,000	7,390,000	134,989,900
" 31........	182,372,000	215,302,000	18,681,000	6,884,000	7,392,000	....

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Dec. 3	$216,438,000	$260,125,000	$66,318,000	$11,977,000	$173,820,500
" 10	217,968,000	255,675,000	61,527,000	11,973,000	152,880,100
" 17	216,736,000	252,610,000	60,257,000	11,957,000	131,652,700
" 24	215,456,000	251,245,000	61,410,000	11,967,000	129,671,600
" 31	214,066,000	252,786,000	63,714,000	11,986,000	122,588,500

SILVER.—Silver in London last month recorded the highest price of the year, 28 9-16 d. on December 30, advancing from 27¼ d. on November 30. The final quotation was 28⅜d., a net advance for the month of 1⅛d.

MONTHLY RANGE OF SILVER IN LONDON—1903, 1904, 1905.

MONTH.	1903. High	1903. Low.	1904. High	1904. Low.	1905. High	1905. Low.	MONTH.	1903. High	1903. Low.	1904. High	1904. Low.	1905. High	1905. Low.
January..	22⅝	21 11/16	27 3/16	25⅛	28 9/16	27 5/16	July......	25⅝	24¼	27	26⅝	....	....
February	22 5/16	21⅞	27⅛	25⅝	....	....	August..	26¼	25 5/16	27	26 5/16	....	....
March....	22 11/16	22⅛	26 11/16	25⅛	....	....	Septemb'r	26 7/16	26 3/16	26⅝	26	....	....
April.....	25 3/16	22⅝	25½	24 7/16	....	....	October..	28½	27 7/16	26 15/16	26⅛	....	....
May......	25¼	24 5/16	25 11/16	25⅛	....	....	Novemb'r	27⅝	26¼	27 3/16	26¾	....	....
June.....	24 9/16	24⅛	26⅛	25 5/16	....	....	Decemb'r	26⅛	25	....	....	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*
Sovereigns	$4.85	$4.88
Bank of England notes	4.85	4.88
Twenty francs	3.87	3.90
Twenty marks	4.74	4.77
Twenty-five pesetas	4.78	4.82
Spanish doubloons	15.55	15.65
Mexican doubloons	$15.55	$15.65
Mexican 20 pesos	19.55	19.65
Ten guilders	3.95	4.00
Mexican dollars	.48½	.49½
Peruvian soles	.43½	.46
Chilian pesos	.43½	.46

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 28⅜d. per ounce. New York market for large commercial silver bars, 61⅝ @ 62¾c. Fine silver (Government assay), 61¾ @ 63¾c. The official price was 61⅛c.

GOLD AND SILVER COINAGE.—The mints coined $51,277.50 gold in December, $471,487 silver and $186,880.20 minor coin. The year's coinage was gold $233,402,428; silver, $15,695,609,95, of which $8,812,650 was standard dollars, and minor coin $1,683,529.39, a total of $250,781,567.34.

COINAGE OF THE UNITED STATES.

	1902.		*1903.*		*1904.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
January	$7,660,000	$2,908,687	$7,685,178	$1,707,000	$2,765,000	$4,657,000
February	6,643,850	2,489,000	7,488,510	1,521,000	35,608,500	1,475,000
March	1,558	2,965,577	6,879,920	1,595,987	63,605,790	1,491,509
April	3,480,315	3,388,273	137,400	1,809,000	26,177,600	1,158,000
May	426,000	1,873,000	69,000	1,584,000	44,109,000	380,000
June	500,345	2,464,353	610	3,840,222	14,884,400	342,143
July	2,120,000	2,254,000	....	337,327	....	455,519
August	8,040,000	2,236,000	450,000	452,000	1,885,000	1,591,000
September	3,560,860	2,831,165	645,692	1,807,469	14,585,705	1,452,082
October	1,890,000	2,287,000	1,540,000	2,324,000	29,706,875	848,000
November	2,675,000	2,399,000	8,794,600	1,401,000	528,780	878,871
December	6,277,925	1,932,216	10,043,060	1,567,485	51,278	471,487
Year	$47,109,852	$29,928,167	$43,683,970	$19,874,440	$233,402,428	$15,695,610

NATIONAL BANK CIRCULATION.—There was an increase in National bank circulation in December of $4,115,081, making for the year an increase of $39,631,138. There are now $464,794,156 of notes outstanding of which $431,841,785 are secured by Government bonds to the amount of $433,928,140.

The notes equal 99½ per cent. of the face of the bonds deposited. Under the old limitation of 90 per cent., bank-note circulation would be $40,000,000 less than it is now, based upon the same amount of bonds.

National Bank Circulation.

	Sept. 30, 1904.	*Oct. 31, 1904.*	*Nov. 30, 1904.*	*Dec. 31, 1904.*
Total amount outstanding...............	$456,079,408	$457,281,500	$460,679,075	$464,794,156
Circulation based on U. S. bonds........	422,014,715	424,530,581	427,947,505	431,841,785
Circulation secured by lawful money....	34,064,693	32,750,919	32,731,570	32,952,371
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent........	4,977,000	5,857,500	6,650,600	6,898,600
Four per cents. of 1895..................	1,791,100	1,791,600	1,797,600	1,791,600
Three per cents. of 1898.................	2,062,940	1,922,940	1,959,040	1,981,040
Two per cents. of 1900...................	415,870,450	416,972,750	420,668,600	423,256,900
Total..............................	$424,701,490	$426,544,790	$431,075,840	$433,928,140

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $10,083,750; 5 per cents. of 1894, $100,000; 4 per cents. of 1895, $9,757,050; 3 per cents. of 1898, $8,460,500; 2 per cents. of 1930, $73,245,050; District of Columbia 3.65's, 1924, $1,852,000; State and city bonds, $1,198,500; Philippine Island certificates, $3,506,000; Hawaiian Islands bonds, $1,072,000; Philippine loan, $3,182,000, a total of $112,456,850.

United States Foreign Trade.—The export trade continues very large in spite of the great falling off in shipments of grain. In November the exports were valued at $157,679,570, the largest total for that month excepting in 1903 when they amounted to $160,268,538. Imports, however, have grown to very great proportions, amounting to $95,157,656 in November, or $18,000,000 more than in November, 1903. The exports exceed the imports by $62,521,914, but a year ago the balance was in excess of $83,000,000. For the eleven months of the year the imports aggregate $939,000,000, the largest ever recorded, while the exports were $1,305,000,000, exceeded only in 1900 and 1901. The net exports were $366,000,000, the smallest in six years, excepting 1902. We exported $16,000,000 net gold in November and $26,000,000 in the eleven months.

Exports and Imports of the United States.

Month of November.	Merchandise.				Gold Balance.		Silver Balance.	
	Exports.	*Imports.*	*Balance.*					
1899..................	$123,755,911	$70,098,931	Exp.,	$53,656,980	Imp.,	$2,639,733	Exp.,	$1,567,246
1900..................	136,702,324	65,354,040	"	71,348,284	"	11,964,781	"	1,577,828
1901..................	136,455,639	72,566,307	"	63,889,332	Exp.,	8,860,822	"	1,892,769
1902..................	125,200,618	85,386,170	"	39,814,448	Imp.,	5,261,412	"	1,563,905
1903..................	160,268,538	77,006,310	"	83,262,228	"	10,377,540	"	3,511,336
1904..................	157,679,570	95,157,656	"	62,521,914	Exp.,	16,098,991	"	953,171
Eleven Months.								
1899..................	1,152,199,938	728,233,567	Exp.,	423,966,371	Imp.,	12,192,818	Exp.,	19,943,413
1900..................	1,332,056,242	760,452,507	"	571,603,753	"	9,638,383	"	21,880,839
1901..................	1,328,434,321	800,490,639	"	527,943,682	Exp.,	1,069,458	"	22,556,727
1902..................	1,212,693,530	874,959,883	"	337,733,647	Imp.,	8,829,202	"	20,024,430
1903..................	1,309,933,517	917,725,693	"	392,207,824	"	5,155,220	"	12,198,839
1904..................	1,305,738,374	939,345,370	"	366,393,004	Exp.,	26,294,655	"	22,328,479

Government Revenues and Disbursements.—The revenues of the Government in December were $3,500,000 in excess of the expenses, while a year ago there was a surplus of nearly $10,500,000. The revenues were $2,300,000 more than in 1903, but the disbursements were nearly $9,300,000 larger. For the six months ending December 31, the revenues were $277,649,852, as compared with $277,837,472 in 1903, a decrease of less than $188,000. The expenditures, however, were $300,029,445, as compared with $269,411,609, an increase of $30,600,000. Of this increase $9,000,000 was for civil and miscellaneous, $8,000,000 war, $13,000,000 navy, and $1,000,000 Indians. There is a deficit for the six months of $22,000,000 as against a surplus of $8,000,000 in 1903.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	December, 1904.	Since July 1, 1904.
Customs	$21,627,237	$181,905,930
Internal revenue	21,364,871	121,885,896
Miscellaneous	2,055,797	23,858,026
Total	$45,047,905	$277,649,852
Excess receipts	3,550,207	*22,379,593

Expenditures.

Source.	December, 1904.	Since July 1, 1904.
Civil and mis.	$10,000,088	$76,107,613
War	7,494,725	70,443,985
Navy	11,155,227	62,485,888
Indians	1,232,717	6,702,596
Pensions	11,894,260	72,338,665
Interest	220,681	11,950,698
Total	$41,497,698	$300,029,445

* Excess expenditures.

Money in Circulation in the United States.—In the month of December the volume of money in circulation was reduced $4,000,000 and the average per capita fell from $31.22 to $31.12. There was an increase in gold coin of $2,000,000, but a decrease of $3,000,000 in gold certificates and of $3,500,000 in silver certificates.

Money in Circulation in the United States.

	Oct. 1, 1904.	Nov. 1, 1904.	Dec. 1, 1904.	Jan. 1, 1905.
Gold coin	$641,844,863	$641,793,093	$647,500,549	$649,548,528
Silver dollars	76,000,250	79,443,123	80,522,882	80,039,395
Subsidiary silver	98,840,017	100,408,128	101,886,384	102,891,327
Gold certificates	486,512,139	490,193,759	470,102,469	466,789,689
Silver certificates	468,139,876	472,713,832	471,584,444	468,017,227
Treasury notes, Act July 14, 1890	11,860,099	11,551,887	11,288,930	10,940,054
United States notes	336,924,758	342,132,421	342,623,637	342,287,627
National bank notes	442,027,487	445,240,418	448,381,072	449,157,278
Total	$2,562,149,489	$2,583,476,661	$2,573,888,367	$2,569,621,125
Population of United States	82,214,000	82,329,000	82,445,000	82,562,000
Circulation per capita	$31.16	$31.38	$31.22	$31.12

Money in the United States Treasury.—About $7,500,000 of gold went out of the Treasury last month, but the net gold was reduced only about $4,000,000. The net cash in the Treasury increased $3,000,000.

Money in the United States Treasury.

	Oct. 1, 1904.	Nov. 1, 1904.	Dec. 1, 1904.	Jan. 1, 1905.
Gold coin and bullion	$709,611,105	$721,253,988	$703,915,064	$696,404,007
Silver dollars	491,795,339	488,352,466	487,272,707	487,756,494
Silver bullion	3,021,439	2,494,572	1,970,303	1,708,079
Subsidiary silver	11,460,297	10,585,044	9,808,023	9,280,167
United States notes	9,756,258	4,548,595	4,057,379	4,898,889
National bank notes	14,051,921	12,041,082	12,298,003	15,636,878
Total	$1,239,696,359	$1,239,275,747	$1,219,321,499	$1,215,179,014
Certificates and Treasury notes, 1890, outstanding	966,512,114	974,459,478	952,973,843	945,696,970
Net cash in Treasury	$273,184,245	$264,816,269	$266,347,656	$269,482,044

Supply of Money in the United States.—Although there was a loss of gold in December of $5,500,000 the total stock of money in the country was reduced only about $1,100,000 National bank notes contributing an increase of more than $4,000,000.

Supply of Money in the United States.

	Oct. 1, 1904.	Nov. 1, 1904.	Dec. 1, 1904.	Jan. 1, 1905.
Gold coin and bullion	$1,351,455,968	$1,363,047,081	$1,351,415,633	$1,345,952,535
Silver dollars	567,795,589	567,795,589	567,795,589	567,795,889
Silver bullion	3,021,439	2,494,572	1,970,303	1,708,079
Subsidiary silver	110,300,314	110,993,172	111,694,407	112,171,494
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	456,079,408	457,281,500	460,679,075	464,794,156
Total	$2,835,333,734	$2,848,292,930	$2,840,236,023	$2,839,103,169

UNITED STATES PUBLIC DEBT.—The principal changes in the public debt statement in December were a decrease of $6,000,000 in gold certificates outstanding, an increase in the cash balance of $3,000,000 and a decrease of nearly $3,700,000 in the debt less cash in the Treasury, the latter item now amounting to $985,549,321. The entire debt exclusive of the interest-bearing bonds after deducting the resources, is only about $90,000,000, and this is more than accounted for in the $92,000,000 of current liabilities classed as disbursing officers' balances, etc., and National bank 5 per cent. fund.

UNITED STATES PUBLIC DEBT.

	Oct. 1, 1904.	*Nov. 1, 1904.*	*Dec. 1, 1904.*	*Jan. 1, 1905.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent.......	$542,909,950	$542,909,950	$542,909,950	$542,909,950
Funded loan of 1907, 4 "	156,593,650	156,593,950	156,593,850	156,593,650
Refunding certificates, 4 per cent......	28,770	28,610	28,610	28,610
Loan of 1925, 4 per cent..................	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent.........	77,135,360	77,135,360	77,135,360	77,135,360
Total interest-bearing debt...........	$895,157,630	$895,157,770	$895,157,470	$895,157,470
Debt on which interest has ceased... ...	1,662,220	1,627,700	1,495,400	1,447,260
Debt bearing no interest:				
Legal tender and old demand notes.....	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct..	33,373,135	32,750,866	32,329,377	31,933,951
Fractional currency.....................	6,869,250	6,869,250	6,868,465	6,868,465
Total non-interest bearing debt......	$386,977,248	$386,354,979	$385,932,705	$385,537,279
Total interest and non-interest debt.	1,283,797,099	1,283,140,449	1,282,585,575	1,282,142,010
Certificates and notes offset by cash in the Treasury:				
Gold certificates.........................	528,491,969	531,479,969	530,780,969	524,684,969
Silver "	474,322,000	478,464,000	477,320,000	477,102,000
Treasury notes of 1890	11,966,000	11,613,000	11,331,000	11,019,000
Total certificates and notes...........	$1,014,779,969	$1,021,556,969	$1,019,431,969	$1,012,805,969
Aggregate debt	2,298,577,068	2,304,697,418	2,302,017,544	2,294,947,979
Cash in the Treasury:				
Total cash assets	1,408,910,964	1,409,935,390	1,406,519,931	1,402,124,509
Demand liabilities.........................	1,107,496,821	1,113,582,593	1,113,175,273	1,105,531,820
Balance	$301,414,162	$296,352,797	$293,344,658	$296,592,689
Gold reserve.............................	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance.........................	151,414,162	146,352,797	143,344,658	146,592,689
Total.................................. ...	$301,414,162	$296,342,797	$293,344,658	$296,592,689
Total debt, less cash in the Treasury.....	982,382,937	986,787,652	989,240,917	985,549,321

THE AMAZING CHADWICK CASE.—The successive revelations in the career of Mrs. Cassie Chadwick read like a serial story written by one of those masters of romance who know how to sustain the interest of the reader while suspending the dénouement.

A keen Yankee lawyer sues to recover from a woman a loan of $190,800 because he has become doubtful of the security. It becomes known that the woman has a past. Then that she owes hundreds of thousands of dollars. Her lawyer asserts that she has $1,000,000 in excess of debts. A bank fails; its President and Cashier not only lose their own fortunes, but are arrested for making illegal loans to her. It is whispered that the name of Andrew Carnegie is on notes for $750,000 on which Mrs. Chadwick got real money. Mr. Carnegie declares that his name has been forged. The dupes reveal that the woman had represented him to be her father. The Treasurer of another bank who had lost his own estate and innocently assisted her in her operations says that he believed her stories of vast wealth. Her "securities" are found to be a bogus deed of trust and a mythical paper for $20,000,000. An ex-Judge of New York confesses that she duped him. Pittsburg millionaires are said to have been fleeced of nearly a million. She overrules her lawyers and starts for Cleveland. * * * The entire police force of Cleveland is ordered out to prevent possible mob violence. She arrives and is taken to prison in the same State where she has succeeded in erecting this gigantic fabric of fraud in spite of the fact that she has already been a convict in one of its prisons.—*New York World.*

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of December, and the highest and lowest during the year 1904, by dates, and also, for comparison, the range of prices in 1903:

	Year 1903.		Highest and Lowest in 1904.		December, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	89⅞	54	89¼—Nov. 26	64 —Feb. 24	89⅛	82	87⅝
" preferred	103⅛	84⅝	104⅛—Nov. 25	87⅝—Jan. 6	103⅞	100⅝	101¼
Baltimore & Ohio	104	71⅝	105¼—Dec. 30	72⅞—Mar. 14	105¼	94¾	104⅞
Baltimore & Ohio, pref	96¾	82¾	96½—Oct. 19	87⅝—Feb. 19	96	95	96
Brooklyn Rapid Transit	71⅛	29½	70½—Nov. 15	38 —Feb. 24	69	56	61¼
Canadian Pacific	138¾	115⅝	135¾—Oct. 25	109⅛—Mar. 12	134⅞	127¾	132⅝
Canada Southern	78½	57½	72 —Nov. 16	64 —Apr. 29	72	68½	70
Central of New Jersey	190	153	194¾—Nov. 11	154½—Feb. 20	194½	186	190
Ches. & Ohio	53⅝	27¼	51 —Nov. 18	28¼—Mar. 14	50¾	43¼	48
Chicago & Alton	37¼	18½	47¼—Nov. 18	33 —Jan. 2	45	38¾	42¾
" preferred	75½	60	85¼—Jan. 21	75 —Jan. 6	85	82½	83½
Chicago, Great Western	29⅝	13	26¼—Nov. 28	12⅞—June 8	25⅜	20¾	22⅞
Chic., Milwaukee & St. Paul	183¼	133¼	177⅝—Dec. 1	137⅛—Feb. 24	177⅝	164	171¾
" preferred	194¼	168	185⅞—Oct. 25	173 —Mar. 4	185⅝	180	185
Chicago & Northwestern	224½	153	214½—Dec. 1	161⅛—Mar. 14	214½	198	208
" preferred	250	190	237 —Nov. 30	207 —Feb. 8	237	232½	237
Chicago Terminal Transfer	19⅞	8	16¼—Nov. 22	5¼—Aug. 31	14¾	11½	12½
" preferred	36	15	27¾—Nov. 22	11½—Aug. 31	25¾	20	22½
Clev., Cin., Chic. & St. Louis	99⅝	66	93⅜—Dec. 1	68½—May 18	93⅜	87	91⅞
Col. Fuel & Iron Co	82½	24	158⅜—Nov. 28	25½—Mar. 12	58	37	46¼
Colorado Southern	31⅜	10	24⅜—Nov. 15	13½—June 1	24	19½	23¼
" 1st preferred	72	44½	63 —Dec. 29	48 —June 1	63	55	61¾
" 2d preferred	48	17	37½—Nov. 15	17⅞—June 7	37⅞	33	37
Consolidated Gas Co	222	164	220 —Oct. 19	185 —Feb. 8	216¾	193½	198
Delaware & Hud. Canal Co	183½	149	190½—Dec. 6	149 —Mar. 12	190½	181	185
Delaware, Lack. & Western	275½	230	359¾—Dec. 6	250½—Feb. 23	359¾	320	340
Denver & Rio Grande	43	18	*35⅞—Nov. 14	18 —Mar. 14	34	30	32¾
" preferred	90½	62	89 —Dec. 21	64½—Feb. 24	89	83⅝	86½
Detroit Southern	20⅝	7	14¾—Jan. 23	1⅛—June 27	7½	5	7
" preferred	39¾	14	33½—Dec. 30	2¾—June 27	33½	26¾	33½
Duluth So. S. & Atl., pref	29⅝	10	28½—Nov. 14	9¼—Aug. 10	27½	21	27
Erie	42⅝	23	41⅝—Nov. 9	21½—May 16	41	33	37½
" 1st pref	74	62⅛	77 —Dec. 6	55⅝—May 31	77	71½	75½
" 2d pref	64⅞	44	58½—Dec. 6	33 —May 16	58½	53	55¼
Evansville & Terre Haute	72½	39½	83 —Nov. 16	54 —July 15	67	62	67
Express Adams	235	214	250 —Oct. 29	220 —Feb. 2	240	235½	236
" American	235	171	219 —Nov. 22	180 —June 2	212¾	205	209
" United States	150¼	95	126 —Nov. 16	100 —Feb. 24	121	118	118
" Wells, Fargo	249½	191	250 —Aug. 23	200 —June 16	243	240	243
Hocking Valley	106½	63	94 —Dec. 5	60 —May 24	94	86	92
" preferred	99¼	77	95 —Dec. 6	77 —Mar. 12	95	90¾	93
Illinois Central	151	125⅛	159 —Dec. 5	125¾—Feb. 24	159	149¼	156½
Iowa Central	48	16	33 —Nov. 12	14 —June 4	31⅝	25½	31
" preferred	77⅝	30½	59¾—Nov. 14	32 —Feb. 25	57¼	55¾	56¾
Kansas City Southern	36¼	16½	31⅞—Nov. 14	16½—Feb. 24	31½	24½	28¼
" preferred	61¼	29	56¾—Nov. 18	31 —Feb. 29	54⅝	47½	52½
Kans. City Ft. S. & Mem. pref	82¾	62¼	83½—Nov. 19	64⅛—June 1	83½	81	82½
Louisville & Nashville	130½	95	148¾—Dec. 3	101 —Feb. 23	148¾	135	139¼
Manhattan consol	155½	126¼	169½—Nov. 18	139¾—Mar. 12	168½	162¾	165
Metropolitan securities	128⅞	70½	96½—Aug. 11	72¼—Mar. 14	83¾	75	79⅛
Metropolitan Street	142⅞	99⅞	130⅜—Oct. 21	104¾—Mar. 14	126¼	116½	120½
Mexican Central	29	8½	23⅝—Nov. 22	5 —Apr. 23	23⅛	18½	22
Minneapolis & St. Louis	110	41	67¾ Jan. 18	40 —June 3	64¾	58	58
" preferred	118	83	96½—Sept. 16	80 —July 29	95	95	95
Minn., S. P. & S.S. Marie	79½	42	95 —Oct. 29	55 - Jan. 4	91⅛	84½	90½
" preferred	132¼	109½	150 —Oct. 29	116 —May 2	147¾	144	147¾
Missouri, Kan. & Tex	30⅛	15½	36⅝—Nov. 11	14⅝—Feb. 24	34¾	29¼	32
" preferred	63½	33	65¼—Dec. 5	32¼—June 1	65¼	60⅝	63½
Missouri Pacific	115⅞	85¾	111½—Dec. 1	87 —Feb. 24	111½	102½	107⅝
Natl. of Mexico, pref	47⅝	34½	45½—Nov. 21	34¾—Feb. 25	43⅜	39	40
" 2d preferred	28½	17	25½—Nov. 21	15⅞—Feb. 25	23½	20½	22½
N. Y. Cent. & Hudson River	156	112⅝	145½—Dec. 28	112⅞—Mar. 12	145½	133	142
N. Y., Chicago & St. Louis	45	19½	47 —Dec. 3	25 —May 16	47	40	44¾
" 2d preferred	87	50	78 —Dec. 3	60 —June 14	78	74¾	76½

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1903.		Highest and Lowest in 1904.		December, 1904.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western	85¼	19	47⅞—Oct. 28	19⅝—Mar. 14	45	39⅛	40⅝
Norfolk & Western	76¼	54¾	80¾—Dec. 30	53½—Mar. 12	80¾	74⅛	80
" preferred	93½	85	95 —Dec. 29	88 —May 6	95	93¾	95
North American Co.	124½	68	107 —Nov. 16	80 —Mar. 12	104¾	97	100⅛
Pacific Mail	42¾	17	55 —Nov. 11	24 —Feb. 27	49¼	39	44
Pennsylvania R. R.	157⅝	110¾	140 —Dec. 5	111½—Mar. 12	140	132	138¼
People's Gas & Coke of Chic.	108⅝	87¾	112½—Dec. 2	92¾—Mar. 12	112½	103½	106⅝
Pullman Palace Car Co.	235¾	196	244 —Nov. 30	209 —Mar. 14	240	231½	235
Reading	69¼	37½	82⅝—Dec. 5	38¾—Mar. 14	82⅝	78⅜	79⅝
" 1st prefered	89⅞	73	92 —Dec. 30	76 —Mar. 1	92	88⅝	91¾
" 2d preferred	81	55¾	85 —Dec. 29	55¼—Feb. 25	85	80¼	85
Rock Island	53⅝	19½	37¾—Nov. 16	19⅛—Mar. 11	37¾	29⅛	36
" preferred	86	55¾	86⅝—Nov. 28	57¾—Jan. 6	86	81⅛	84¼
St. L. & San Fran. 2d pref.	78	39	72½—Dec. 30	39¼—Jan. 6	72½	63¼	71⅛
St. Louis & Southwestern	30	12	29 —Dec. 5	9½—June 1	29	23½	25¾
" preferred	66	24	60¾—Dec. 6	25⅝—June 1	60¾	50	57½
Southern Pacific Co.	68¼	38⅝	68¾—Nov. 15	41½—Mar. 14	67⅞	59⅛	64¾
Southern Railway	36⅞	16½	37½—Dec. 5	18¼—Feb. 24	37½	32¾	34¾
" preferred	96	69½	97½—Dec. 5	77½—Jan. 6	97½	94	96⅞
Tennessee Coal & Iron Co.	68¾	25⅞	77½—Nov. 17	31⅝—May 16	77½	61½	71⅝
Texas & Pacific	43⅝	20½	38⅛—Nov. 14	20 —June 2	37⅛	32	34¾
Toledo, St. Louis & Western	31⅞	15	38 —Nov. 30	21½—May 27	37¾	33½	36⅝
" preferred	48	24	57¼—Nov. 30	32 —Feb. 24	56¾	49	54
Union Pacific	104⅝	65½	117 —Nov. 21	71 —Mar. 14	116½	104½	113¾
" preferred	95¼	83½	98 —Dec. 30	86½—Feb. 25	98	94¾	97¾
Wabash R. R.	32¾	16⅝	25 —Nov. 12	15 —May 16	24	20	21¾
" preferred	55⅛	27½	48⅛—Nov. 18	32¾—Feb. 24	47¼	40½	42⅝
Western Union	93	80¼	94½—Dec. 16	85 —May 19	94⅛	91½	93¼
Wheeling & Lake Erie	27½	12	22⅜—Nov. 14	14⅛—July 25	21	17½	18½
" second preferred	38½	20	32 —Nov. 12	21½—June 29	28½	26	28½
Wisconsin Central	29¼	14½	25 —Nov. 18	16 —June 6	24	20½	22½
" preferred	55½	33	49⅝—Nov. 18	37 —June 6	48	44	45⅝
"INDUSTRIAL"							
Amalgamated Copper	75⅝	33⅝	82¾—Dec. 1	43⅛ Feb. 8	82¾	58½	71
American Car & Foundry	41¾	17¼	35½—Dec. 28	14¾—July 1	35½	29	34
" pref.	93	60½	94¾—Dec. 30	67 —Jan. 6	94¾	89	94½
American Co. Oil Co.	46¼	25¼	37⅞—Dec. 6	24¼—June 14	37⅞	33¼	37
American Ice	11⅞	4	9¾—Nov. 21	6 —Dec. 19	8⅞	6	6½
American Locomotive	31⅝	10½	36⅝—Nov. 28	16½—Jan. 6	36⅝	30	34½
" preferred	95¾	67½	105 —Nov. 26	75½—Jan. 6	104⅝	100½	104¼
Am. Smelting & Refining Co.	52⅞	36¾	82½—Dec. 3	46 —Feb. 25	82½	75⅝	81⅝
" preferred	99½	80¼	115 —Oct. 24	88¾—Jan. 6	114	110	113
American Sugar Ref. Co.	134⅝	107⅛	153 —Nov. 17	122¼—Mar. 7	151⅛	134¾	142½
Anaconda Copper Mining	125½	58	120⅞—Nov. 21	61 —Feb. 20	118½	95	109
Continental Tobacco Co. pref.	119	94¾	131 —Dec. 1	101½—Jan. 4	131	127¼	128⅛
Corn Products	35	15½	26¼—Nov. 18	9¾—May 9	24	19½	21¼
" preferred	85⅛	60	82¼—Nov. 15	65 —Mar. 9	81¼	77¾	78
Distillers securities	34¾	20	40½—Dec. 29	19½—June 9	40½	35¼	38¾
General Electric Co.	204	136	194½—Nov. 22	151 —June 20	192	181¾	187
International Paper Co.	19⅞	9	25⅝—Dec. 13	10¼—May 26	25⅝	19¼	22¾
" preferred	74¼	57½	79⅞—Dec. 10	64⅛ - Feb. 9	79⅞	76½	76½
National Biscuit	47⅝	32	59½—Nov. 15	36 —Jan. 4	58¼	54¼	57¼
National Lead Co.	29½	10½	28¼—Oct. 3	14⅛—Feb. 25	25½	22	24¾
Pressed Steel Car Co.	65¾	22½	44½—Oct. 17	24¼—May 16	41⅝	34½	39
" preferred	95	62½	92 —Dec. 5	67 —May 16	92	87	90½
Republic Iron & Steel Co.	22⅝	5⅝	18¼—Nov. 28	6 —May 16	18	14	16¾
" preferred	80⅝	36¾	73½—Nov. 28	37 —May 13	71⅝	65	71⅝
Rubber Goods Mfg. Co.	30	12	29⅞—Dec. 6	14¾—Apr. 15	29⅞	24¼	26¾
" preferred	84½	60	98 —Dec. 2	74¾—Jan. 15	98	90	95
U. S. Leather Co.	15¼	6	20¾—Dec. 9	6½—May 27	20¾	13¼	13¾
" preferred	96¾	71½	106½—Dec. 5	75⅝—Jan. 4	106½	95½	101⅞
U. S. Realty & Con	28½	4	9⅝—Jan. 21	5⅛—Jan. 15	....	....	....
" preferred			63⅝—May 23	40 —Jan. 14	....	....	....
U. S. Rubber Co.	19⅛	7	34½—Dec. 30	10½—Feb. 6	34½	27⅞	32½
" preferred	58	30¼	100 —Dec. 29	41 —Jan. 4	100	89	98⅛
U. S. Steel	39⅞	10	33½—Dec. 5	8⅜—May 18	33½	23½	30
" pref.	89¾	49¾	95⅝—Dec. 3	51¼—May 18	95⅝	84	92⅞

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	DECEMBER SALES. *High.*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
Ann Arbor 1st g 4's..............1995	7,000,000	Q J	98	Dec. 29,'04	99¼	98	68,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's.1995	148,155,000	A & O	103⅛	Dec. 31,'04	103¾	102⅝	762,000
• registered..................	....	A & O	101	Dec. 27,'04	101½	101	80,000
• adjustment, g. 4's.....1995	25,616,000	NOV	94¾	Dec. 30,'04	94¾	94	143,500
• registered..................	....	NOV	82½	Jan. 26,'04	....	....	....
• stamped..............1995	26,112,000	M & N	95	Dec. 31,'04	95	94⅛	321,000
• serial debenture 4's—							
• series C..............1905	2,500,000	F & A	....		....	....	....
• registered..................	....	F & A	....		....	....	....
• series D..............1906	2,500,000	F & A	99	Aug.15,'04	....	....	....
• registered..................	....	F & A	....		....	....	....
• series E..............1907	2,500,000	F & A	99¾	Oct. 18,'04	....	....	....
• registered..................	....	F & A	....		....	....	....
• series F..............1908	2,500,000	F & A	99⅛	Nov. 3,'04	....	....	....
• registered..................	....	F & A	....		....	....	....
• series G..............1909	2,500,000	F & A	99¼	Dec. 19,'04	99¼	99¼	1,000
• registered..................	....	F & A	....		....	....	....
• series H..............1910	2,500,000	F & A	97½	Sept.12,'04	....	....	....
• registered..................	....	F & A	....		....	....	....
• series I..............1911	2,500,000	F & A	98⅛	Nov. 23,'04	....	....	....
• registered..................	....	F & A	....		....	....	....
• series J..............1912	2,500,000	F & A	....		....	....	....
• registered..................	....	F & A	....		....	....	....
• series K..............1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
• registered..................	....	F & A	....		....	....	....
• series L..............1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
• registered..................	....	F & A	....		....	....	....
• East.Okla.div.1stg.4's.1928	6,128,000	M & S	99	Nov. 17,'04	....	....	....
• • registered......	....	M & S	....		....	....	....
• Chic. & St. L. 1st 6's...1915	1,500,000	M & S	....		....	....	....
Atlan.Coast LineR.R.Co.1stg.4's.1952	36,844,000	M & S	101½	Dec. 31,'04	101½	99½	888,000
• registered..................		M & S	92	Feb. 15,'04	....	....	....
Charleston& Savannah 1st g. 7's..1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g. 6's..1934	4,056,000	A & O	125½	Nov. 30,'03	....	....	....
• 1st g. 5's..............1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's..1928	2,800,000	M & N	114¼	Oct. 18,'04	....	....	....
Brunswick & W'n 1st gtd. g. 4's..1938	3,000,000	J & J	93	July 14,'04	....	....	....
Sil.Sps Oc.& G.RR.&ld g.gtd g.4s.1918	1,067,000	J & J	97¾	Oct. 5,'04	....	....	....
Balt. & Ohio prior lien g. 3½s..1925	72,798,000	J & J	96½	Dec. 30,'04	96½	96	145,000
• registered..............		J & J	96	Nov. 7,'04	....	....	....
• g. 4s....................1948	70,963,000	A & O	103¾	Dec. 31,'04	103¾	102¾	396,000
• g. 4s. registered..........		A & O	102	Nov. 29,'04	....	....	....
• ten year c. deb. g. 4's..1911	592,000	M & S	106	Dec. 30,'04	106	103	25,000
Pitt Jun. & M. div. 1st g. 3½s. 1925	11,293,000	M & N	91⅝	Dec. 20,'04	91⅝	91	8,000
• registered...............		QFeb	....		....	....	....
Pitt L. E. & West Va. System refunding g 4s........1941	27,000,000	M & N	99⅝	Dec. 31,'04	99⅝	98¼	172,000
• Southw'n div. 1st g.3½s.1925	43,590,000	J & J	93¾	Dec. 31,'04	94	93	586,500
• registered.................		Q J	90¼	July 16,'01	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	105½	Mar. 11,'04	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s, 1930	1,009,000	M & S	108	Sept. 7,'04	....	....	....
Ptsbg Clev. & Toledo, 1st g.6's..1922	515,000	A & O	119½	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g.4's...1917	688,000	J & J	100	Nov. 15,'04	....	....	....
• J. P. Morgan & Co. cer.....	1,921,000	......	100	Sept.22,'04	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's...1937	4,427,000	M & S	115½	Dec. 2,'04	115½	115½	6,000
Alleghany & Wn. 1st g. gtd 4's.1998	2,000,000	A & O	....		....	....	....
Clearfield & Mah. 1st g. g. 5's....1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's..1921	1,300,000	F & A	121½	Mar. 2,'04	....	....	....
• cons. 1st 6's, ...1922	3,920,000	J & D	123½	Aug.17,'04	....	....	....
Buff. & Susq. 1st refundg g. 4's..1951	4,317,000	J & J	100⅛	Dec. 23,'04	100⅛	99¾	8,000
• registered......		J & J	....		....	....	....

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NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	DECEMBER SALES. *High.*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
Canada Southern 1st int. gtd 5's	1908	14,000,000	J & J	105¾	Dec. 30,'04	105¾	104⅛	62,000
" 2d mortg. 5's	1913	6,000,000	M & S	107	Dec. 30,'04	107	106⅛	22,000
" registered			M & S	107	July 11,'04	....	....	....
Central Branch U. Pac. 1st g. 4's	1948	2,500,000	J & D	93⅛	Dec. 1,'04	93⅛	93⅛	3,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	120¾	Oct. 20,'04	....	....	....
" registered $1,000 & $5,000			F & A	....		....	....	....
" con. g. 5's	1945	16,700,000	M & N	113¾	Dec. 31,'04	113¾	110⅛	434,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	107	June 14,'04	....	....	....
" 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	93	Dec. 31,'04	93	89	316,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	78¼	Dec. 31,'04	74¼	70	871,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	62½	Dec. 30,'04	64	60	175,000
" Chat. div. pur. my. g. 4's	1951	2,057,000	J & D	96	Dec. 31,'04	96	93	6,000
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
" Mid. Ga. & Atl. div. g 5s	1947	413,000	J & J	102	June 29,'99	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	107¼	Aug. 2,'04	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	109½	Dec. 15,'04	109⅛	109⅛	1,000
Central of New Jersey, gen. g. 5's	1987	27,419,000	J & J	136⅛	Dec. 30,'04	136⅛	135⅞	19,000
" registered			Q J	132¾	Dec. 20,'04	133⅝	132¾	25,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	114¼	Dec. 13,'04	114¼	114	5,000
Lehigh & H. R. gen. gtd g. 5's	1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	103	Nov. 29,'04	....	....	....
" con. extended gtd. 4½'s	1910	12,175,000	Q M	101¾	Dec. 29,'04	102⅛	101⅝	20,000
N.Y. & Long Branch gen. g. 4's	1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	106¾	Dec. 16,'04	106¾	106⅛	3,000
" Mortgage gold 6's	1911	2,000,000	A & O	111⅛	July 27,'04	....	....	....
" 1st con. g. 5's	1939	25,858,000	M & N	118⅛	Dec. 31,'04	118¾	118	95,000
" registered			M & N	117⅛	Oct. 11,'04	....	....	....
" Gen. m. g. 4½'s	1992	38,573,000	M & S	108⅛	Dec. 31,'04	108⅛	107	335,000
" registered			M & S	95	Dec. 22,'03	....	....	....
" Craig Val. 1st g. 5's	1940	650,000	J & J	112	May 14,'03	....	....	....
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	103⅛	Dec. 28,'04	103¼	102	87,000
" 2d con. g. 4's	1989	1,000,000	J & J	98	Dec. 27,'04	99	98	7,000
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	106⅛	Oct. 29,'02	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	95½	Sept. 20,'04	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	31,988,000	A & O	85	Dec. 31,'04	85	84¼	121,000
" " registered			A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s	1950	22,000,000	J & J	82⅛	Dec. 30,'04	83	82	379,000
" registered			J & J	83	Oct. 26,'02	....	....	....
Chicago, Burl. & Quincy:								
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	104¾	Apr. 11,'91	....	....	....
" Denver div. 4's	1922	4,833,000	F & A	101¼	Dec. 19,'04	101¼	101¼	2,000
" Illinois div. 3½s	1949	50,835,000	J & J	97¼	Dec. 27,'04	97¼	96¾	245,000
" registered			J & J	90⅛	Apr. 16,'04	....	....	....
" Illinois div. 4s	1949	5,992,000	J & J	105¾	Aug. 8,'04	....	....	....
" (Iowa div.) sink. f'd 5's	1919	2,449,000	A & O	103¾	Apr. 27,'04	....	....	....
" 4's	1919	8,049,000	A & O	102	Nov. 1,'04	....	....	....
" Nebraska extensi'n 4's	1927	25,344,000	M & N	106	Dec. 27,'04	106¼	105½	49,000
" registered			M & N	105	Dec. 2,'03	....	....	....
" Southwestern div. 4's	1921	2,550,000	M & S	100¾	Feb. 8,'04	....	....	....
" 4's joint bonds	1921	215,222,000	J & J	100⅞	Dec. 31,'04	101⅛	99½	2,369,000
" " registered			Q JAN	98⅝	Dec. 30,'04	99	98	25,000
" 5's, debentures	1913	9,000,000	M & N	106	Dec. 17,'04	106	106	1,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	113½	Dec. 15,'04	113½	113½	20,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	106⅛	Dec. 20,'04	106⅛	106⅛	1,000
" small bonds			J & D	103½	July 8,'04	....	....	....
" 1st con. 6's, gold	1934	2,653,000	A & O	129	Apr. 12,'04	....	....	....
" gen. con. 1st 5's	1937	16,529,000	M & N	120	Dec. 27,'04	120	118	19,000
" registered			M & N	119⅛	Apr. 13,'03	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	117	Sept. 1,'04	....	....	....
Chicago, Indianapolis & Louisville.								
" refunding g. 6's	1947	4,700,000	J & J	132⅝	Nov. 22,'04	....	....	....
" ref. g. 5's	1947	4,442,000	J & J	117½	Nov. 18,'04	....	....	....
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	112¼	Dec. 5,'04	112¼	112¼	5,000
Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's	1905	991,000	J & J	134	Oct. 20,'04	....	....	....
" terminal g. 5's	1914	4,748,000	J & J	111	Oct. 20,'04	....	....	....
" gen. g. 4's, series A	1989	23,676,000	J & J	112	Dec. 22,'04	112	111¼	28,000
" registered		....	Q J	109⅛	June 18,'04	....	....	....

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Name.	Principal Due.	Amount.	Int'st paid.	Last Sale. Price.	Last Sale. Date.	December Sales. High.	December Sales. Low.	December Sales. Total.
" gen. g. 3½'s, series B.	1989	2,500,000	J & J	97⅛	Oct. 11,'04	....	....	....
" registered	....		J & J	....	....	....	....	....
" Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	116½	Apr. 29,'03	....	....	....
" Chic. & M. R. div. 5's,	1926	3,083,000	J & J	120	Dec. 7,'04	120	120	1,000
" Chic. & Pac. div. 6's,	1910	3,000,000	J & J	112¾	Sept.30,'04	....	....	....
" 1st Chic. & P. W. g. 5's.	1921	25,340,000	J & J	118⅛	Dec. 28,'04	118⅛	117¾	37,000
" Dakota & Gt. S. g. 5's.	1916	2,856,000	J & J	112⅛	Nov. 9,'04	....	....	....
" Far. & So. g. 6's assu...	1924	1,250,000	J & J	137¼	July 18,'98	....	....	....
" 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	116⅞	Oct. 21,'04	....	....	....
" 1st 5's	1910	990,000	J & J	106	Aug. 3,'04	....	....	....
" 1st 7's, Iowa & D. ex.	1908	891,000	J & J	169	Mar. 14,'04	....	....	....
" 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	113	Aug. 31,'03	....	....	....
" Mineral Point div. 5's,	1910	2,840,000	J & J	107⅝	Oct. 18,'04	....	....	....
" 1st So. Min. div. 6's....	1910	7,432,000	J & J	113	Dec. 22,'04	113	112¼	22,000
" 1st 6's, Southw'n div.,	1909	4,000,000	J & J	111	Sept.28,'04	....	....	....
" Wis. & Min. div. g. 5's.	1921	4,755,000	J & J	116⅞	Nov. 28,'04	....	....	....
" Mil. & N. 1st M. L. 6's.	1910	2,155,000	J & D	110⅛	Dec. 14,'04	110⅛	110⅛	1,000
" 1st con. 6's	1913	5,092,000	J & D	118¼	Oct. 20,'04	....	....	....
Chic. & Northwestern con. 7's...	1915	12,832,000	Q F	129	Dec. 15,'04	129	129	4,000
" extension 4's.....	1886–1926	18,632,000	F A 15	104⅛	Dec. 27,'04	104⅛	104⅛	15,000
" registered	....		F A 15	102⅝	May 11,'04	....	....	....
" gen. g. 3½'s	1987	20,538,000	M & N	100	Oct. 6,'04	....	....	....
" registered	....		Q F	103	Nov. 19,'98	....	....	....
" sinking fund 6's..	1879–1929	5,686,000	A & O	116	Dec. 21,'04	116	116	10,000
" registered	....		A & O	111⅛	Dec. 11,'03	....	....	....
" sinking fund 5s'..	1879–1929	6,769,000	A & O	110¾	Dec. 20,'04	110¾	110⅛	11,000
" registered	....		A & O	107	Mar. 28,'04	....	....	....
" deben. 5's	1909	5,900,000	M & N	103⅝	Nov. 7,'04	....	....	....
" registered	....		M & N	104	Mar. 3,'04	....	....	....
" deben. 5's	1921	10,000,000	A & O	110⅛	Oct. 5,'04	....	....	....
" registered	....		A & O	108¾	Jan. 12,'04	....	....	....
" sinking f'd deben. 5's.	1933	9,800,000	M & N	115⅝	Dec. 19,'04	115⅝	115¼	5,000
" registered	....		M & N	115¼	Nov. 19,'04	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's...	1905	1,600,000	M & S	104⅛	Nov. 17,'02	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	105⅛	May 23,'04	....	....	....
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	105⅝	Nov. 17,'03	....	....	....
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	109¾	June 18,'04	....	....	....
Mil., L. Shore & We'n 1st g. 6's.	1921	5,000,000	M & N	128⅝	Dec. 21,'04	128⅝	128¼	4,000
" ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	119¼	Nov. 15,'04	....	....	....
" Ashland div. 1st g. 6's	1925	1,000,000	M & S	142⅛	Feb. 10,'02	....	....	....
" Michigan div. 1st g. 6's.	1924	1,281,000	J & J	133	Nov. 28,'04	....	....	....
" con. deb. 5's	1907	436,000	F & A	108	Apr. 8,'04	....	....	....
" incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,500,000	J & J	124½	Nov. 16,'04	....	....	....
" registered	1917		J & J	124	Nov. 16,'04	....	....	....
" gen. g. 4's	1988	61,581,000	J & J	106	Dec. 28,'04	106½	105¾	66,000
" registered	....		J & J	107	Jan. 16,'03	....	....	....
" 1st & refunding 4s....	1934	....	A & O	97¼	Dec. 31,'04	97¼	96¾	456,000
" coll. tr. ser. 4's ser. C.	1905	1,494,000	M & N	101¼	Sept. 29,'02	....	....	....
" D	1906	1,494,000	M & N	....	....	....	....	....
" E	1907	1,494,000	M & N	....	....	....	....	....
" F	1908	1,494,000	M & N	....	....	....	....	....
" G	1909	1,494,000	M & N	....	....	....	....	....
" H	1910	1,494,000	M & N	97	July 14,'04	....	....	....
" I	1911	1,494,000	M & N	....	....	....	....	....
" J	1912	1,494,000	M & N	....	....	....	....	....
" K	1913	1,494,000	M & N	....	....	....	....	....
" L	1914	1,494,000	M & N	....	....	....	....	....
" M	1915	1,494,000	M & N	96	May 16,'04	....	....	....
" N	1916	1,494,000	M & N	93	May 24 '04	....	....	....
" O	1917	1,494,000	M & N	94	Dec. 5,'04	94	94	4,000
" P	1918	1,494,000	M & N	90	May 11,'04	....	....	....
Chic. Rock Is. & Pac. R.R. 4's..	2002	69,557,000	M & N	82⅛	Dec. 31,'04	82½	79⅛	4,051,000
" registered	....		M & N	76⅛	Sept. 14,'04	....	....	....
" coll. trust g. 5's	1913	17,180,000	M & S	95⅛	Dec. 31,'04	96	93	2,195,000
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	101¾	Dec. 30,'04	101½	101	64,000
" con. 1st & col. tst 5's.	1934	11,000,000	A & O	120⅛	Nov. 29,'04	....	....	....
" registered	....		A & O	120⅛	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.	1921	1,905,000	A & O	112⅛	Sept. 26,'04	....	....	....
Minneap's & St. Louis 1st 7's. g.	1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....	1919	5,500,000	J & J	109	Dec. 31,'04	109	109	5,000
" con. g. 5's	1952	5,411,000	J & J	....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's.	1905	1,200,000	J & J	95¼	Oct. 1,'03	....	....	....
" 1st 2½'s	1905	1,200,000	J & J	95	Sept. 14,'04	....	....	....
" extension 4 s	....	672,000	J & J	98	Jan. 13,'04	....	....	....
Keokuk & Des M. 1st mor. 5's..	1923	2,750,000	A & O	106¾	July 8,'04	....	....	....
" small bond	1923	....	A & O	102½	Apr. 26,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	DECEMBER SALES. *High.*	DECEMBER SALES. *Low.*	DECEMBER SALES. *Total.*
Chic., St.P., Minn.& Oma.con.6's	1930	14,708,000	J & D	134	Dec. 20,'04	134½	133½	18,000
" con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,846,000	M & N	133	Dec. 7,'04	133	133	2,000
North Wisconsin 1st mort. 6's	1930	659,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	124½	Dec. 21,'04	124¼	124	17,000
Chic., Term. Trans. R. R. g. 4's	1947	15,135,000	J & J	86	Dec. 28,'04	86	84¾	43,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,386,000	Q M	113	Dec. 17,'04	113¼	113	29,000
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104½	Dec. 5,'03	....	....	....
" 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,'19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	113¼	July 14,'04	....	....	....
Cin. Find. & Ft. W. 1st gtd g. 4's	1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind. & Wn. 1st & ref. gtd g. 4's	1953	4,672,000	J & J	99	Nov. 4,'04	....	....	....
Clev., Cin., Chic. & St. L. gen. g. 4's	1993	19,749,000	J & D	101	Dec. 30,'04	101½	100½	184,000
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	100	July 9,'04	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	98½	July 30,'04	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	102½	Dec. 9,'04	102½	102½	5,000
" registered				100	Oct. 3,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	102	Dec. 9,'02	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,599,000	Q F	100	Nov. 11,'04	....	....	....
" registered				95	Nov. 15,'94	....	....	....
" con. 6's	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	115¼	June 23,'04	....	....	....
Clev., C., C. & Ind. con. 7's	1914	8,991,000	J & D	123	Dec. 6,'04	123	123	1,000
" sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	130	Sept. 19,'04	....	....	....
" registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	99	Dec. 30,'04	100	98½	36,000
" income 4's	1990	4,000,000	A	73	Dec. 31,'04	73½	71	147,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	112½	Feb. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116	Feb. 10,'04	....	....	....
" registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	3,946,000	J & J	77	Dec. 31,'04	77½	72¼	991,000
Colorado & Southern 1st g. 4's	1929	19,103,000	F & A	92	Dec. 30,'04	92½	88½	794,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	109½	Oct. 4,'04	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	128½	Dec. 19,'04	128½	128½	5,000
" 1st c. gtd 7's	1915	11,677,000	J & D	129⅝	Dec. 14,'04	129⅝	129⅝	2,000
" registered			J & D	140	Oct. 26,'98	....	....	....
" 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	129½	Aug. 27,'04	....	....	....
" const. 5's	1923	5,000,000	F & A	114½	July 6,'04	....	....	....
" terml. imp. 4's	1923	5,000,000	M & N	102½	Nov. 11,'04	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	108¼	July 16,'04	....	....	....
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	133¾	Mar. 30,'04	....	....	....
" reg.	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	104¼	Dec. 1,'04	104¼	104¼	2,000
" registered			A & O	122	June 6,'99	....	....	....
" 6's	1906	7,000,000	A & O	103¾	Nov. 29,'04	....	....	....
" registered			A & O	109½	Nov. 16,'01	....	....	....
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	146⅝	Oct. 10,'04	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	102¼	Dec. 29,'04	102½	101½	80,000
" con. g. 4½'s	1936	6,382,000	J & J	109	Dec. 20,'03	109	109	4,000
" impt. m. g. 5's	1928	8,318,500	J & D	107¾	Dec. 20,'04	107¾	107½	11,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	100⅞	Dec. 31,'04	100⅞	99½	67,000
" mge. & col. tr. g. 4's ser. A	1949	12,730,000	A & O	89	Dec. 30,'04	89	89	84,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Midl'd Ter. Ry. 1st g. s. f. 5's	1925	472,000	J & D	....	....	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	100	Sept. 13,'04	....	....	....
" g. 4s	1995	1,250,000	J & D	95½	Dec. 28,'04	95½	95½	5,000
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	70	Dec. 19,'04	70	67½	46,000
" Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	90	Dec. 31,'04	90	88	32,500
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	117	Nov. 29,'04	....	....	....
" registered			A & O	101½	July 23,'89	....	....	....
" 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	113½	Dec. 1,'04	113½	113½	2,000
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	117½	Oct. 28,'04	....	....	....

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE Price.	LAST SALE Date.	DECEMBER SALES. High.	DECEMBER SALES. Low	DECEMBER SALES. Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	114	June 3,'03	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	113¾	July11,'04	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	109⅝	Sept.29,'04	....	....	....
" 4th extended g. 5's	1920	2,926,000	A & O	114	Mar. 24,'04	....	....	....
" 5th extended g. 4's	1928	709,500	J & D	101⅛	Dec. 30,'04	101⅛	101⅛	1,000
" 1st cons gold 7's	1920	16,890,000	M & S	135	Nov. 25,'04	....	....	....
" 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con. g. 4s prior bds.	1996	35,000,000	J&J	102⅛	Dec. 30,'04	102⅛	101⅛	287,000
" registered			J&J	98⅛	Jan. 21,'04	....	....	....
" 1st con. gen. lien g. 4s	1996	35,885,000	J&J	93	Dec. 31,'04	93⅛	91⅛	1,163,000
" registered			J&J	88	Nov.15,'04	....	....	....
" Penn. col. trust g. 4's	1951	33,000,000	F & A	95¼	Dec. 31,'04	95⅛	94	356,000
" 50 yrs. con. g. 4's ser A	1953	10,000,000	A & O	95¾	Dec. 31,'04	96	95⅛	820,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	127⅞	Nov.18,'04	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	106	Dec. 16,'04	106	106	3,000
" small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	121⅛	Dec. 14,'04	121⅛	121⅛	5,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	103	Oct. 8,'02	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	132	Apr. 13,'04	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	113⅛	Nov.25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	108⅛	Jan. 6,'04	....	....	....
" small								
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	109¾	Dec. 21,'04	109¾	109¾	2,000
N.Y., Sus. & W. 1st refdg. g. 5's	1937	3,745,000	J & J	115⅝	Nov.25,'04	....	....	....
" 2d g. 4½'s	1937	447,000	F & A	104	Dec. 19,'04	104	103	4,000
" gen. g. 5's	1940	2,546,000	F & A	110	Dec. 30,'04	110	109	40,000
" term. 1st g. 5's	1943	2,000,000	M & N	117	Oct. 21,'04	....	....	....
" registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	109¾	Dec. 19,'04	109¾	109¾	1,000
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	116	Dec. 31,'04	116	108	26,000
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	123	Nov. 5,'04	....	....	....
" 1st General g 5's	1942	2,672,000	A & O	106	Oct. 10,'04	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	112	June 2,'02	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	104	Oct. 31,'04	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	108⅛	Dec. 30,'04	108¾	107¾	136,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,863,000	J & J	89	Dec. 31,'04	89	85⅛	20,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	103½	Dec. 2,'04	103½	103	27,000
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,591,000	J & J	106	Dec 14,'04	106	106	2,000
" registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	18,139,000	J & J	111⅝	Dec. 23,'04	111⅝	111	59,000
" registered			J & J	105½	July14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's	1848	1,401,000	A & O	100¼	Apr. 12,'04	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	113	Nov. 7,'04	....	....	....
" registered			J&J	113½	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	102	Aug.19,'04	....	....	....
" registered			J&J	94	Mar. 23,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered			A & O	....		....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
" registered			M & S	....		....	....	....
" total outstg....$13,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	104¼	Dec. 28,'04	104¼	104¼	1,000
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	104¼	Dec. 15,'04	104¼	104¼	1,000
" registered			M & N	101	Apr. 7,'04	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Litchfield div. 1st g. 3s	1951	3,148,000	J & J	....		....	....	....
" Louisville div. g. 3½'s	1953	14,320,000	J & J	97¼	Dec. 22,'04	97¼	96½	7,000
" registered			J & J	88½	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" Omaha div. 1st g. 3's	1951	5,000,000	F & A	86¼	Nov.30,'04	....	....	....
" St. Louis div. g. 3's	1951	4,939,000	J & J	85	Nov.29,'04	....	....	....
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,821,000	J & J	94¼	Aug.11,'04	....	....	....
" registered			J & J	101½	Sept.10,'95	....	....	....
" Sp'gfield div 1st g 3½'s	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's	1951	5,425,000	F & A	105¾	Nov.11,'04	....	....	....
" registered			F & A	101½	Jan.31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	124½	Apr. 5,'04	....	....	....

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Carbond'e & Shawt'n 1st g. 4's	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	119	Feb. 25,'04	....	....	....
" gold 5's, registered	.....		J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s	1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
" registered	.....		J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's	1951	3,500,000	J & D	109	Dec. 31,'04	109	109	7,000
" registered	.....		J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's	1931	538,000	M & S	103	Nov.10,'04	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	106	Mar. 28,'04	....	....	....
" 1st gtd. g. 5's	1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's	1950	4,850,000	J & J	99⅝	Dec. 10,'04	99⅝	99⅝	1,000
Internat. & Gt. N'n 1st. 6's, gold	1919	11,291,000	M & N	121	Dec. 29,'04	121	119¾	12,000
" 2d g. 5's	1909	10,391,000	M & S	101¼	Dec. 31,'04	101¼	100½	101,000
" 3d g. 4's	1921	2,959,500	M & S	72	Dec. 31,'04	72¾	70¾	81,000
Iowa Central 1st gold 5's	1938	7,650,000	J & D	113	Dec. 16,'04	113	113	16,000
" refunding g. 4's	1951	2,000,000	M & S	86	Dec. 30,'04	87½	86	24,000
Kansas City Southern 1st g. 3's	1950	30,000,000	A & O	72¼	Dec. 30,'04	73⅛	72⅛	62,000
" registered	.....		A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	120	Dec. 27,'04	120	120	1,000
" 2d mtge. g. 5's	1941	3,625,000	J & J	112¾	Nov. 4,'04	....	....	....
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	116½	Nov. 7,'04	....	....	....
Lehigh Val. (Pa.) coll. g. 5's	1997	8,000,000	M & N	108¼	Dec. 28,'04	108¼	108	24,000
" registered	.....		M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	111⅝	Dec. 16,'04	111⅝	111⅝	3,000
" registered	.....	....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	116½	Nov.25,'02	....	....	....
" registered	.....		A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,114,000	J & J	108	Dec. 15,'04	108	108	1,000
" registered	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	98½	Dec. 15,'04	98½	98½	1,000
" registered	.....		M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	106½	Nov. 3,'04	....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	100⅝	June16,'04	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	116½	Oct. 18,'04	....	....	....
" 1st con. g. 4's	1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's	1938	3,000,000	J & D	100½	Dec. 10,'04	100½	100½	5,000
" Ferry 1st g. 4½'s	1922	1,494,000	M & S	100	Oct. 12,'04	....	....	....
" g. 4's	1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
" unified g. 4's	1949	6,860,000	M & S	102¼	Dec. 6,'04	102¼	102¼	8,000
" deb. g. 5's	1934	1,135,000	J & D	110	June22,'04	....	....	....
" gtd. refunding g. 4's	1949	12,200,000	M & S	102⅛	Dec. 21,'04	102⅛	101⅞	32,000
" " registered	.....		M & S	....	....	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
" 1st 5's	1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,601,000	A & O	112	Mar.10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	883,000	M & S	107½	Sept.27,'04	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,425,000	Q JAN	109	Nov.23,'04	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's	1927	2,724,000	M & S	103¼	Dec. 6,'04	103¼	103¼	10,000
Louis. & Nash. gen. g. 6's	1930	8,239,000	J & D	119	Dec. 30,'04	119	118¼	14,000
" gold 5's	1937	1,764,000	M & N	·117	Dec. 23,'04	117	115½	17,000
" Unified gold 4's	1940	31,722,000	J & J	104⅝	Dec. 31,'04	104¾	103	297,000
" registered	1940		J & J	101½	June18,'94	....	....	....
" collateral trust g. 5's	1931	5,129,000	M & N	115¼	Dec. 22,'04	115¼	114¼	17,000
" 5-20yr. col. tr. deedg. 4's	1923	23,000,000	A & O	98¾	Dec. 31,'04	98¾	97¾	359,000
" E., Hend. & N. 1st 6's	1919	1,675,000	J & D	114	Dec. 17,'04	114	114	14,000
" L. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	105⅝	Nov. 5,'04	....	....	....
" N. O. & Mobile 1st g. 6's	1930	5,000,000	J & J	131¾	Dec. 6,'04	131¾	131¾	1,000
" 2d g. 6's	1930	1,000,000	J & J	124½	Nov.29,'04	....	....	....
" Pensacola div. g. 6's	1920	580,000	M & S	116⅝	Mar. 22,'02	....	....	....
" St. Louis div. 1st g. 6's	1921	3,500,000	M & S	122	Apr. 21,'04	....	...	....
" 2d g. 3's	1980	3,000,000	M & S	75	June20,'02	....	....	....
" At. Kx. & N. R. 1st g. 5's	1946	1,000,000	J & D	112½	Nov.16,'04	....	....	....
" H. B'ge 1st sk'fd. g6's	1931	1,453,000	M & S	....	....	....	....	....
" Ken. Cent. g. 4's	1987	6,742,000	J & J	100	Dec. 9,'04	100	100	2,000
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	108¾	Dec. 27,'04	108¾	108¾	2,000
" South. Mon. joint 4's	1952	11,827,000	J & J	96⅛	Dec. 29,'04	98½	96⅝	71,000
" registered	.....		Q Jan	....	....	....	....	....
" N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	116	Nov.22,'04	....	....	....
" Pen. & At. 1st g. g. 6's	1921	2,394,000	F & A	115	Jan. 29,'04	....	...	....
" S. & N. A. con. gtd. g. 5's	1936	3,673,000	F & A	115	Nov.26,'04	....	...	....
" So. & N. Ala. si'fd. g. 6s	1910	1,942,000	A & O	110	Mar.23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	96⅝	Oct. 26,'04	....	....	....
Manhattan Railway Con. 4's	1990	28,065,000	A & O	105	Dec. 30,'04	105¾	105	154,000
" registered	.....		A & O	105	Dec. 8,'04	105	105	10,000

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Metropolitan Elevated 1st 6's....1908	10,818,000	J & J	110	Dec. 27,'04	110	109¼	11,000
Manitoba Swn. Coloniza'n g.5's, 1934	2,544,000	J & D	...	...	...	...	...
Mexican Central.							
" con. mtge. 4's..........1911	65,690,000	J & J	76½	Dec. 31,'04	77¼	75½	231,000
" 1st con. inc. 3's..........1939	20,511,000	JULY	24¼	Dec. 31,'04	25¾	21	1,201,000
" 2d 3's....................1939	11,724,000	JULY	16½	Dec. 30,'04	17¼	15⅛	175,000
" equip. & collat. g. 5's....1917	600,000	A & O	...	...	...	...	...
" 2d series g. 5's..........1919	665,000	A & O	...	...	...	...	...
" col.trust g.4½'s1st se of1907	10,000,000	F & A	96	Dec. 29,'04	96	96	7,000
Mexican Internat'l 1st con g. 4's,1977	3,362,000	M & S	90⅝	July29,'01	...	...	...
" stamped gtd................	3,621,000	......	...	...	...	...	...
Mexican Northern 1st g. 6's.....1910	999,000	J & D	...	...	...	...	...
" registered..................		J & D	105	May 2,19'	...	...	...
Minneapolis & St. Louis 1st g. 7's.1927	950,000	J & D	142	Dec. 7,'03	...	...	...
" Iowa ext. 1st g. 7's......1909	1,015,000	J & D	113	Oct. 7,'04	...	...	...
" Pacific ext. 1st g. 6's....1921	1,382,000	J & A	120½	Feb. 29,'04	...	...	...
" Southw. ext. 1st g. 7's...1910	636,000	J & D	121	Jan. 21,'02	...	...	...
" 1st con. g. 5's...........1934	5,000,000	M & N	116	Nov.29,'04	...	...	...
" 1st & refunding g. 4's...1949	8,850,000	M & S	97½	Dec. 28,'04	97½	96¼	133,000
Minn., S. P. & S. S. M., 1st c. g. 4's.1938	29,055,000	J & J	100¾	Dec. 28,'04	100¾	100½	10,000
" stamped pay. of int. gtd.			...	...	...	...	...
Minneapolis & Pacific 1st m. 5's..1936	337,000	J & J	102	Mar. 26,'87	...	...	...
" stamped 4's pay. of int. gtd.			...	...	...	...	...
Minn., S. S. M. & Atlan. 1st g. 4's.1926	8,209,000	J & J	103	Nov.11,'01	...	...	...
" stamped pay. of int. gtd.			89¾	June 18,'91	...	...	...
Missouri, K. & T. 1st mtge g. 4's.1990	40,000,000	J & D	101¼	Dec. 31,'04	101¼	100	272,500
" 2d mtge. g. 4's.........1990	20,000,000	F & A	86½	Dec. 31,'04	86½	84¾	277,500
" 1st ext gold 5's.. 1944	3,254,000	M & N	103½	Dec. 31,'04	104	103½	79,000
St. Louis div. 1st refundg 4s...2001	1,886,000	A & O	87¼	Dec. 17,'04	87¼	87¼	1,000
Dallas & Waco 1st gtd. g. 5's....1940	1,340,000	M & N	105¼	Dec. 22,'04	105¼	104¾	57,000
Kan. City & Pac. 1st g. 4s......1990	2,500,000	F & A	94	Dec. 13,'04	94½	94	5,000
Mo., Kan. & East. 1st gtd. g. 5s.1942	4,000,000	A & O	110⅞	Dec. 20,'04	110⅞	110⅝	5,000
Mo.,Kan.& Ok. 40 yr. 1st gtd.5s.1942	5,468,000	M & N	104⅞	Dec. 31,'04	104⅞	104¼	76,000
Mo.,K.& Tex.of Tex.1stgtd.g.5s1942	4,505,000	M & S	106¾	Dec. 29,'04	107	105¾	59,000
Sher., Shreve.& So. 1st gtd.g.5s.1943	1,689,000	J & D	106	Nov. 4,'04	...	...	...
Tex. & Ok. 40 yr. 1st gtd. g. 5s ..1943	2,347,000	M & S	104½	Dec. 12,'04	104¾	104½	12,000
Missouri, Pacific 1st con. g. 6's...1920	14,904,000	M & N	123⅝	Dec. 31,'04	123¾	121⅛	142,000
" 3d mortgage 7's.......1906	3,828,000	M & N	105¾	Dec. 22,'04	105¾	105½	7,000
" trusts gold 5's stamp'd1917	14,376,000	M & S	108½	Dec. 31,'04	108½	107	42,000
" registered.................		M & S	...	...	...	...	...
" 1st collateral gold 5's.1920	9,636,000	F & A	109	Dec. 28,'04	109	108	69,000
" registered.................		F & A	...	...	...	...	...
Cent. Branch Ry.1st gtg. g. 4's.1919	3,459,000	F & A	98	Dec. 31,'04	98	95½	59,000
Leroy & Caney Val. A. L. 1st 5's.1926	520,000	J & J	100	May 1,'01	...	...	...
Little Rock & Ft. Smith 1st 7's.1905	3,000,000	J & J	...	...	...	...	...
Pacific R. of Mo. 1st m. ex. 4's.1938	7,000,000	M & S	103⅞	Dec. 2,'04	103⅞	103⅞	10,000
" 2d extended g. 5's.....1938	2,573,000	F & A	116⅝	Dec. 22,'04	117	116½	5,000
St. L. & I. g. con. R.R.&l.gr. 5's1931	36,709,000	A & O	117	Dec. 29,'04	117	116	72,000
" stamped gtd gold 5's..1931	6,532,000	A & O	109¾	Oct. 21,'03	...	...	...
" unify'g & rfd'g g. 4's.1929	27,563,000	J & J	96½	Dec. 31,'04	97	95½	654,000
" registered.................		J & J	87¼	Apr. 23,'04	...	...	...
" Riv&Gulf divs 1stg 4s.1933	16,690,000	M & N	97¼	Dec.31,'04	97¼	95½	545,000
" registered.................		M & N	...	...	...	...	...
Verdigris V'y Ind. & W. 1st 5's.1926	750,000	M & S	...	...	...	...	...
Mob. & Birm., prior lien, g. 5's...1945	374,000	J & J	111½	Mar. 8,04'	...	...	...
" small......................	226,000	J & J	90	Feb. 4,'03	...	...	...
" mtg. g. 4's..............1945	700,000	J & J	95	Nov. 1,'04	...	...	...
" small......................	500,000	......	94	Aug. 6,'04	...	...	...
Mob. Jackson&Kan.City 1stg.5's.1946	1,882,000	J & D	102	July 25,'02	...	...	...
Mobile & Ohio new mort. g. 6's..1927	7,000,000	J & J	126	Dec. 1,'04	126	126	3,000
" 1st extension 6's......1927	974,000	J & D	121	Apr. 23,'04	...	...	...
" gen. g. 4's............1938	9,472,000	Q J	96¾	Dec. 20,'04	96¾	96¾	3,000
" Montg'rydiv.1st g.5's.1947	4,000,000	F & A	115	Dec. 1,'04	115¼	115	5,000
St. Louis & Cairo gtd g. 4's.....1931	4,000,000	M & S	101	Nov. 9,'04	...	...	...
" collateral g. 4's........1930	2,494,000	Q F	92½	July 29,'04	...	...	...
Nashville, Chat. & St. L. 1st 7's...1913	6,300,000	J & J	124½	Dec. 27,'04	125	124	26,000
" 1st cons. g. 5's..........1928	7,566,000	A & O	116	Dec. 31,'04	116	115	85,000
" 1st g.6's Jasper Branch.1923	371,000	J & J	123	Mar.28,'01	...	...	...
" 1st 6's McM. M.W. & Al.1917	750,000	J & J	113½	June 9,'04	...	...	...
" 1st 6's T. & Pb...........1917	300,000	J & J	113	July 6,'99	...	...	...
Nat R.R.of Mex.priorlieng.4½'s.1926	20,000,000	J & J	104	Dec. 12,'04	104	104	5,000
" 1st con. g. 4's...........1951	22,000,000	A & O	82	Dec. 27,'04	82	81⅛	100,000
NO. & N. East. prior lien g. 6's..1915	1,320,000	A & O	108½	Aug.13,'94	...	...	...
N.Y. Cent. & Hud. R. g. mtg.3½s.1997	75,782,000	J & J	101½	Dec. 30,'04	101¾	100⅝	134,000
" " registered......		J & J	98⅝	Dec. 20,'04	98⅝	98⅝	30,000
" debenture g. 4's..1890-1905	5,094,000	J & D	100⅛	Dec. 29,'04	100⅛	100⅛	1,000
" registered................		J & D	99	Dec. 12,'02	...	...	...

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• deb. cert. ext. g. 4's	1905	3,581,000	M & N	100⅛	Oct. 10,'04	....	....	....
• registered			M & N	99⅛	Nov. 8,'02	....	....	....
Lake Shore col. g. 3½s	1998	90,578,000	F & A	91	Dec. 31,'04	91½	90⅝	305,000
• registered			F & A	89½	Dec. 29,'04	90	89½	8,000
Michigan Central col. g. 3½s	1998	19,336,000	F & A	89¾	Dec. 29,'04	90	89¼	93,000
• registered			F & A	91	Jan. 17,'03	....	....	....
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	108	Dec. 16,'04	108	108	1,000
• registered			J & J	102	Mar. 31,'03	....	....	....
• 2d gtd. g. 5's	1936	500,000	J & J	....		....	....	....
• registered		....	J & J	....		....	....	....
• ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O	....		....	....	....
• registered			A & O	....		....	....	....
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	87½	June 23,'04	....	....	....
• small bonds series B		33,000	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....		....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	107½	July 6,19'	....	....	....
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
• reg. certificates			F & A	....		....	....	....
N.Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	105½	Nov. 15,'96	....	....	....
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O	....		....	....	....
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	110½	Dec. 27,'04	110½	109½	82,000
• registered			J & J	108	Dec. 29,'04	110	108	17,000
Lake Shore g 3½s	1997	50,000,000		100⅝	Dec. 30,'04	100⅝	100	49,000
• registered			J & D	99½	Dec. 30,'04	99½	99½	62,000
• deb. g. 4's	1928	40,000,000	M & S	101½	Dec. 30,'04	101½	100¾	498,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	114	Feb. 6,'02	....	....	....
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	121	Nov. 21,'03	....	....	....
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
• 2d gtd 6's	1934	900,000	J & J	....		....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....		....	....	....
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04	....	....	....
• 5's	1931	3,576,000	M & S	122½	Dec. 5,'04	122½	122½	3,000
• 5's reg	1931		Q M	121	July 20,'04	....	....	....
• 4's	1940	2,600,000	J & J	106¼	June 9,'04	....	....	....
• 4's reg			J & J	106½	Nov. 26,19'	....	....	....
• g. 3½'s sec. by 1st mge. on J. L. & S.		1,900,000	M & S	....		....	....	....
• 1st g. 3½'s	1952	13,000,000	M & N	96¼	May 26,'04	....	....	....
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D	....		....	....	....
N. Y. & Harlem 1st mort. 7's c.	1900	12,000,000	M & N	100	Sept. 24,19'	....	....	....
• 7's registered	1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	115½	Sept. 1,'04	....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	118	Dec. 27,'04	118	117¼	25,000
coup. g. bond currency			A & O	....		....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....		....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	104¼	Apr. 5,'04	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	105	Dec. 29,'04	105	103¾	92,000
• registered			A & O	101	Mar. 28,'03	....	....	....
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	2,838,000	M & N	131¾	Apr. 29,'03	....	....	....
New Haven and Derby con. 5's	1918	575 000	M & N	115½	Oct. 15,'94	....	....	....
N. Y. & New England 1st 7's	1905	6,000,000	J & J	102¼	Nov. 11,'04	....	....	....
• 1st 6's	1905	4,000,000	J & J	101⅞	Nov. 11,'04	....	....	....
N.Y., Ont. & W'n. ref'ding 1st g. 4's	1992	17,937,000	M & S	105¼	Dec. 31,'04	105¼	104¾	172,000
• registered.......$5,000 only.		....	M & S	100	Dec. 7,'03	....	....	....
Norfolk & Southern 1st g. 5's	1941	1,590,000	M & N	110	Dec. 8,'04	110	110	1,000
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	132	Sept. 2,'03	....	....	....
• imp'ment and ext. 6's	1934	5,000,000	F & A	132	Dec. 1,'04	132	132	1,000
• New River 1st 6's	1932	2,000,000	A & O	132½	Dec. 28,'04	132½	132½	10,000
Norfolk & West. Ry. 1st con. g. 4s	1996	39,710,500	A & O	101½	Dec. 30,'04	101⅝	100¾	237,500
• registered			A & O	99¾	June 18,'03	....	....	....
• small bonds			A & O	....		....	....	....
• div. 1st lien & gen g. 4s	1944	5,000,000	J & J	98⅛	Dec. 10,'04	98⅛	98⅛	1,000
• • registered			J & J	....		....	....	....
• Pocahon C. & C. Co. jt. 4's	1941	20,000,000	J & D	95	Dec. 31,'04	95	94½	243,000
• C. C. & T. 1st g. t. g. g. 5's	1922	600,000	J & J	112	Aug. 25,'04	....	....	....
• Sci'o Val & N. E. 1st g. 4's	1989	5,000,000	J & N	101¾	Dec. 21,'04	102½	101¾	43,000
N. P. Ry prior ln ry. & ld. gt. g. 4's	1997	101,392,500	Q J	106	Dec. 31,'04	106	105	438,000
• registered			Q J	104¾	Dec. 19,'04	104¾	104¾	98,000
• gen. lien g. 3's	2047	56,000,000	Q F	76	Dec. 31,'04	76	75	394,000
• registered			Q F	74½	Nov. 15,'04	....	....	....
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	98¾	Dec. 8,'04	98¾	98¾	9,000

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" registered		7,897,000	J & D					
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	125	Oct. 14,'04			
" registered certificates			Q F	132	July 28,'98			
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	112¼	July 21,'03			
" 2d 5's	1917	2,000,000	A & O	107	Nov. 2,'04			
" 1st con. g. 4's	1968	1,000,000	J & D	96½	Aug. 22,'04			
Washington Cen. Ry 1st g. 4's	1948	1,538,000	QMCH	94	Aug. 16,'04			
Nor. Pacific Term. Co. 1st g. 6's	1933	3,614,000	J & J	118¾	Dec. 30,'04	118¾	118½	13,000
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	115¼	Nov. 7,'04			
" gen. mortg. g 6's	1937	2,428,000	A & O	112	Dec. 6,'04	112	112	5,000
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	113½	Dec. 29,'04	113½	111¼	27,000
Panama 1st sink fund g. 4½'s	1917	2,371,000	A & O	102½	June 16,'03			
" s. f. subsidy g 6's	1910	715,000	M & N	102	Apr. 14,'02			
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	112	Dec. 31,'04	112	110⅝	4,000
" reg	1921		J & J	105¾	June 25,'04			
" gtd. 3½ col. tr. reg. cts.	1937	4,895,000	M & S	98	July 16,'04			
" gtd. 3½ col. tr. cts. ser B	1941	9,687,000	F & A	92¼	Dec. 28,'03			
" Trust Co. ctfs. g. 3½'s	1916	15,998,000	M & N	97½	Dec. 28,'04	97¾	97½	11,000
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	118	Oct. 27,'04			
" registered			A & O	110	May 3,'92			
Cin., Leb. & N. 1st con. gtd. g. 4's	1942	900,000	J & J					
Clev. & P. gen. gtd. g. 4½'s Ser. A	1942	3,000,000	J & J	108¼	Aug. 21,'03			
" Series B	1942	1,561,000	A & O					
" " int. reduc. 3½ p.c.		439,000						
" Series C 3½s	1948	3,000,000	M & N					
" Series D 3½s	1950	2,000,000	F & A	96	Jan. 8,'04			
E. & Pitts. gen. gtd. g. 3½s Ser. B	1940	2,240,000	J & J	102	Nov. 7,19'			
" " " C	1940	1,479,000	J & J	98¾	Apr. 4,'04			
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J					
Pitts., C. C. & St. L. con. g 4½'s								
" Series A	1940	10,000,000	A & O	113	Dec. 10,'04	113	113	1,000
" Series B gtd	1942	8,786,000	A & O	112¼	Nov. 16,'04			
" Series C gtd	1942	1,379,000	M & N	110	Aug. 17,'01			
" Series D gtd. 4's	1945	4,983,000	M & N	104½	Oct. 6,'04			
" Series E gtd. g. 3½s	1949	10,260,000	F & A	93½	Sept. 28,'04			
Pitts., Ft. Wayne & C. 1st 7's	1912	2,219,000	J & J	127⅝	Oct. 21,'02			
" 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03			
" 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04			
Tol Walhonding Vy. & O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J					
" 4½'s series B	1933	978,000	J & J					
" 4's series C	1942	1,453,000	M & S					
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	105	Mar. 26,'04			
con. sterling gold 6 per cent	1905	22,762,000	J & J					
con. currency, 6's registered	1905	4,718,000	Q M 15					
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept. 21,'04			
" registered			Q M					
con. gold 4 per cent	1943	2,797,000	M & N	106	Aug. 28,'03			
" ten year conv. 3½'s	1912	20,692,500	M & N	103	Dec. 29,'04	103½	102¼	312,000
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	110	Aug. 28,19'			
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J					
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	112¾	Mar. 7,19'			
Del. R. RR. & Bge Co 1st gtd g. 4's	1936	1,300,000	F & A					
G. R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	110	Oct. 6,'04			
Phila. Balto. & Wash. 1st g. 4's	1943	10,570,000	M & N	107⅝	Dec. 30,'04	107⅝	107½	39,000
" registered			M & N					
Pitts. Va. & Charl. Ry 1st gtd g. 4's	1943	6,000,000	M & N					
Sunbury & Lewistown 1st g. 4's	1936	500,000	J & J					
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept. 28,04'			
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	120½	Nov. 14,'04			
" 2d m 4½'s	1921	1,499,000	M & N	101	July 8,'04			
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02			
Flint & Pere Marquette g. 6's	1920	3,999,000	A & O	121⅝	Dec. 5,'04	121⅝	121⅝	1,000
" 1st con. gold 5's	1939	2,850,000	M & N	111½	Dec. 20,'04	111½	111½	1,000
" Port Huron d 1st g 5's	1939	3,325,000	A & O	112¼	Oct. 21,'04			
Sag'w Tusc. & Hur. 1st gtd. g. 4's	1931	1,000,000	F & A					
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93			
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01			
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112½	Dec. 13,'93			
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	114½	Sept. 2,'04			
" 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'			
Pittsburg. Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	117½	Oct. 24,'04			
Reading Co. gen. g. 4's	1997	86,232,000	J & J	103½	Dec. 30,'04	103½	101⅞	559,500
" registered			J & J	100	Nov. 1,'04			
" Jersey Cent. col. g. 4's	1957	23,000,000		99	Dec. 31,'04	99	98	218,000
" " registered								

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Atlantic City 1st con. gtd. g. 4's	1951	1,063,000	M & N					
Philadelphia & Reading con. 6's	1911	7,304,000	J & D					
" registered		663,000	J & D					
" 7's	1911	7,310,000	J & D	119¼	Apr. 2,'04			
" " registered		3,339,000	J & D					
Rio Grande Junc'n 1st gtd. g. 5's	1939	2,000,000	J & D	111⅛	July 28,'04			
Rio Grande Southern 1st g. 4's	1940	2,233,000	J & J	76	Dec. 28,'04	76	75	8,000
" guaranteed		2,277,000	......	87⅛	Sept. 7,'04			
Rutland RR 1st con. g. 4½'s	1941	2,440,000	J & J	103¾	May 10,'04			
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s	1948	4,400,000	J & J					
Rutland Canadian 1st gtd.g.4's	1949	1,350,000	J & J	101¼	Nov.18,'01			
St. Jo. & Gr. Isl. 1st g. 3.342	1947	3,500,000	J & J	95	Dec. 22,'04	95	94	15,000
St. L. & Adirondack Ry. 1st g. 5's	1996	800,000	J & J					
" 2d g. 6's	1996	400,000	A & O					
St. Louis & San F. 2d 6's, Class B	1906	998,000	M & N	104	Dec. 31,'04	104	104	2,500
" 2d g. 6's, Class C	1906	829,000	M & N	103⅝	June24,'04			
" gen. g. 6's	1931	3,681,000	J & J	130¼	Dec. 20,'04	130¼	129	11,000
" gen. g. 5's	1931	5,803,000	J & J	114¾	Dec. 19,'04	114¾	114½	12,000
St. L & San F. R. R. con. g. 4's	1996	1,558,000	J & D	99¼	Nov.15,'04			
" S.W.div.g.5's	1947	829,000	A & O	98⅝	Nov.23,'04			
" refunding g.4's	1951	58,997,000	J & J	90¾	Dec. 31,'04	91	89	2,491,000
" " registered			J & J					
" 5 year 4½'s gold notes	1908	5,728,000	J & D	96	Dec. 8,'04	96	96	5,000
Kan. Cy Ft.S.&MemRRcong6's	1928	13,736,000	M & N	126¼	Nov.28,'04			
Kan.Cy Ft.S &M Ry ref g gtd g4s	1936	16,853,000	A & O	89⅛	Dec. 31,'04	90	88	562,000
" registered			A & O	78½	Jan. 14,'04			
Kan.Cy&M.R.&B.Co.1st gtd g5s	1929	3,000,000	A & O					
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	98⅛	Dec. 31,'04	98⅛	97⅝	384,000
" 2d g. 4's inc. Bd. ctfs.	1989	3,272,500	J & J	85⅝	Dec. 30,'04	85	85	27,000
" con. g. 4's	1932	12,665,000	J & D	81	Dec. 31,'04	81¾	79¾	1,621,000
Gray's Point, Term. 1st gtd. g. 5's	1947	339,000	J & D					
St. Paul, Minn. & Manito'a 2d 6's	1909	7,154,000	A & O	110¾	Dec. 15,'04	110¾	110¾	5,000
" 1st con. 6's	1933	13,344,000	J & J	134⅝	Oct. 31,'04			
" 1st con. 6's, registered			J & J	140	May 14,'02			
" 1st c. 6's, red'd to g. 4½'s		19,292,000	J & J	111⅞	Nov. 9,'04			
" 1st cons. 6's register'd			J & J	115½	Apr. 15,'01			
" Dakota ext'n g. 6's	1910	5,462,000	M & N	111¼	Dec. 15,'04	111¼	111¼	10,000
" Mont. ext'n 1st g. 4's	1937	10,185,000	J & D	103¼	Dec. 27,'04	103½	103	7,000
" registered			J & D	106	May 6,'01			
Eastern R'y Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	102⅝	Oct. 25,'04			
" registered			A & O					
" Minn. N. div. 1st g. 4's	1940	5,000,000	A & O					
" registered			A & O					
Minneapolis Union 1st g. 6's	1922	2,150,000	J & J	128	Apr. 4,19'			
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	135	Apr. 25,'04			
" 1st 6's, registered			J & J	134¾	Dec. 20,'04	134¾	134¾	5,000
" 1st g. g. 5's	1937	4,000,000	J & J	116¾	Sept. 1,'04			
" registered			J & J					
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	117	Jan. 11,'04			
" registered			J & D					
Salt Lake City 1st g. s. f. 6's	1913	297,000	J & J					
San Fe Pres.& Phoe.Ry.1st g.5's	1942	4,940,000	M & S	110	Jan. 7,'04			
San Fran. & N. Pac. 1st s. f. g. 5's	1919	3,872,000	J & J	113¾	Dec. 11,'01			
Seaboard Air Line Ry g. 4's	1950							
" registered		12,775,000	A & O	85	Dec. 30,'04	85	83⅛	119,000
" col. trust refdg g. 5's	1911		A & O					
Carolina Central 1st con. g. 4's	1949	10,000,000	M & N	103	Dec. 29,'04	103¼	102½	75,000
Fla Cent & Peninsular 1st g.5's	1918	2,847,000	J & J	98	Nov.25,'04			
" 1st land grant ext g.5's	1930	3,000,000	J & J	100	Sept. 6,'99			
" cons. g. 5's	1943	410,000	J & J					
Georgia & Alabama 1st con.5's	1945	4,370,000	J & J	104¾	July 18,'04			
Ga. Car. & Nthern 1st gtd g. 5's	1929	2,922,000	J & J	112½	Nov.29,'04			
Seaboard & Roanoke 1st 5's	1926	5,360,000	J & J	110¾	Nov.11,'04			
Sodus Bay & Sout'n 1st 5's, gold	1924	2,500,000	J & J					
Southern Pacific Co.		500,000	J & J	102	Jan. 20,'03			
" 2-5 year col. trust g. 4½'s	1905	30,000,000	J & D	100⅞	Dec. 31,'04	100⅞	100	252,000
" g. 4's Central Pac. coll.	1949	28,818,500	J & D	95	Dec. 31,'04	95	93	482,500
" " registered			J & D	94½	Aug.17,'04			
Austin & Northw'n 1st g. 5's	1941	1,920,000	J & J	110¾	Dec. 16,'04	110¾	110¾	3,000
Cent. Pac. 1st refud. gtd.g.4's	1949	73,437,000	F & A	102½	Dec. 29,'04	102½	101¼	296,000
" registered			F & A	99¼	Mar. 5,'93			
" mtge. gtd. g. 3½'s	1929	17,685,500	J & D	89¼	Dec. 31,'04	89¼	87¼	482,000
" " registered			J & D					
Gal. Harrisb'gh & S.A. 1st g 6's	1910	4,756,000	F & A	112¼	Dec. 16,'04	112½	110½	9,000
" 2d g 7's	1905	1,000,000	J & D	103	Sept.20,'04			
" Mex. & P. div 1st g 5's	1931	13,418,000	M & N	113	Nov.26,'04			
Gila Val.G.& N'n 1st gtd g 5's	1924	1,514,000	M & N	110	Dec. 31,'04	110	110	10,000
Houst. E. & W. Tex. 1st g.5's	1933	501,000	M & N	104½	Dec. 7,'04	104½	104½	1,000

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• 1st gtd. g. 5's.........1933	2,199,000	M & N	103½	July 7,'04	....	....	....
Houst. & T.C. 1st g 5's int. gtd..1937	5,092,000	J & J	113	Dec. 15,'04	113½	112⅛	9,000
• con. g 6's int. gtd......1912	2,430,000	A & O	113	Dec. 15,'04	113	113	14,000
• gen. g 4's int. gtd......1921	4,275,000	A & O	95	Dec. 7,'04	95	95	5,000
• W&N wn. div. 1st. g. 6's.1930	1,105,000	M & N	127½	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's 1921	2,240,000	J & J	....	....	....	....	....
Morgan's La & Tex. 1st g 6's....1920	1,494,000	J & J	122	Dec. 6,'04	122	122	3,000
• 1st 7's.................1918	5,000,000	A & O	129½	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's..1912	1,465,000	A & O	....	....	....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's.1907	3,964,000	J & J	106	Sept. 14,'04	....	....	....
• gtd. g. 5's..................	4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's.........1927	18,831,000	J & J	102	Nov. 25,'04	....	....	....
San Ant. & Aran Pass 1st gtd g 4's.1943	17,544,000	J & J	90¼	Dec. 31,'04	90½	88	341,000
South'n Pac. of Ariz. 1st 6's.....1909	6,000,000	J & J	110½	Dec. 13,'04	110½	110½	11,000
• • • 1910	4,000,000	J & J	111½	Dec. 13,'04	111½	111½	2,000
• of Cal. 1st g 6's ser. A.1905	29,187,500	A & O	100⅜	Oct. 8,'04	....	....	....
• • • ser. B.1905		A & O	102	Oct. 22,'03	....	....	....
• • • C. & D.1906		A & O	104½	Dec. 22,'04	104½	104½	1,000
• • • E. & F.1902		A & O	114½	Dec. 20,'04	114½	114½	3,000
• • • 1912	....	A & O	116	June 29,'04	....	....	....
• 1st con. gtd. g 5's...1937	6,809,000	M & N	119	Feb. 2,'04	....	....	....
• stamped........1905-1937	21,470,000	......	107¾	Dec. 7,'04	107¾	107¾	12,000
So. Pacific Coast 1st gtd. g. 4's.1937	5,500,000	J & J	....	....	....	....	....
• of N. Mex. c. 1st 6's.1911	4,180,000	J & J	108	Sept. 19,'04	....	....	....
Tex. & New Orleans 1st 7's......1905	862,000	F & A	103	Oct. 3,'04	....	....	....
• Sabine div. 1st g 6's...1912	2,575,000	M & S	109	Sept. 13,'04	....	....	....
• con. g 5's..............1943	1,620,000	J & J	103	Jan. 29,'04	....	....	....
Southern Railway 1st con. g 5's.1994	41,177,000	J & J	120¾	Dec. 31,'04	121	119	376,000
• registered....................		J & J	110	Feb. 29,'04	....	....	....
Mob. & Ohio collat. trust g. 4's.1938	7,999,000	M & S	97¼	Dec. 30,'04	97½	96⅝	24,000
• registered.................		M & S	....	....	....	....	....
• Memph. div. 1st g. 4-4½-5's.1996	5,183,000	J & J	117¼	Dec. 2,'04	117¼	117¼	1,000
• registered....................		J & J	....	....	....	....	....
• St. Louis div. 1st g. 4's...1951	11,750,000	J & J	99	Dec. 21,'04	99	99	30,000
• • registered.........		J & J	....	....	....	....	....
Alabama Central, 1st 6's.......1918	1,000,000	J & J	118½	Nov. 29,'04	....	....	....
Atlantic & Danville 1st g. 4's..1948	3,925,000	J & J	97½	Dec. 10,'04	97½	96½	10,000
• 2d mtg..................1948	775,000	J & J	90½	Dec. 6,'04	90½	89⅞	67,000
Atlantic & Yadkin, 1st gtd g 4s.1949	1,500,000	A & O	....	....	....	....	....
Col. & Greenville, 1st 5-6's.....1916	2,000,000	J & J	118	May 12,'04	....	....	....
East Tenn., Va. & Ga. div. g. 5's.1930	3,106,000	J & J	116⅛	Dec. 23,'04	116⅛	116⅛	1,000
• con. 1st g 5's..........1956	12,770,000	M & N	121	Dec. 27,'04	121	121	19,000
• reorg. lien g 4's.......1938	4,500,000	M & S	112⅜	Nov. 25,'04	....	....	....
• registered.................		M & S	....	....	....	....	....
Ga. Pacific Ry. 1st g 5-6's......1922	5,660,000	J & J	125⅛	Dec. 6,'04	125⅛	125⅛	5,000
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	124¾	Dec. 14,'04	124¾	124¾	1,000
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	118	Oct. 31,'04	....	....	....
• deb. 5's stamped......1927	3,368,000	A & O	111¼	Dec. 22,'04	111¼	111¼	3,000
Rich. & Mecklenburg 1st g. 4's.1948	315,000	M & N	87⅛	July 26,'04	....	....	....
South Caro'a & Ga. 1st g. 5's....1919	5,250,000	M & S	108	Nov. 25,'04	....	....	....
Vir. Midland serial ser. A 6's..1906	600,000	M & S	103	Mar. 29,'04	....	....	....
• small......................		M & S	....	....	....	....	....
• ser. B 6's..............1911	1,900,000	M & S	112½	Jan. 6,'03	....	....	....
• small......................		M & S	....	....	....	....	....
• ser. C 6's..............1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
• small......................		M & S	....	....	....	....	....
• ser. D 4-5's............1921	950,000	M & S	110	Dec. 22,'04	110	110	3,000
• small......................		M & S	....	....	....	....	....
• ser. E 5's..............1926	1,775,000	M & S	109½	Jan. 22,'04	....	....	....
• small......................		M & S	....	....	....	....	....
• ser. F 5's..............1931	1,310,000	M & S	108	Nov. 9,'03	....	....	....
Virginia Midland gen. 5's......1936	2,392,000	M & N	116	Dec. 1,'04	116	116	1,000
• gen. 5's. gtd. stamped.1926	2,466,000	M & N	110½	May 10,'04	....	....	....
W. O. & W. 1st cy. gtd. 4's.....1924	1,025,000	F & A	93	Dec. 31,'03	....	....	....
W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	117½	Dec. 28,'04	117½	117	14,000
Spokane Falls & North. 1st g. 6's..1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s.1943	500,000	J & D	100	Nov. 22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	114½	Dec. 1,'03	....	....	....
• 1st con. g. 5's.....1894-1944	5,000,000	F & A	118	Oct. 27,'04	....	....	....
• gn. refdg. sg. fd. g. 4's. 1953	18,000,000	J & J	101¼	Dec. 21,'04	101¼	100¾	15,000
• " " registered. 1953		J & J	....	....	....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's...1930	3,500,000	A & O	112⅛	July 29,'04	....	....	....
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th 1905	2,741,000	M & S	101½	Dec. 15,'04	101½	101½	5,000
• 1st gold 5's..............2000	22,234,000	J & D	121¼	Dec. 31,'04	121¼	119¼	159,000
• 2d gold income, 5's......2000	963,000	MAR.	97	Dec. 29,'04	97	95	15,000
• La. Div. B.L. 1st g. 5's...1931	4,241,000	J & J	109½	Aug. 5,'04	....	....	....
Weatherford Mine Wells &							

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Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106⅛	Nov. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	115⅛	Dec. 1,'04	115⅛	115⅛	1,000
" 1st M. g 5's West. div.	1935	2,500,000	A & O	111	May 31,'04	....	....	....
" gen. g. 5's	1935	2,000,000	J & D	107	Sept. 8,'04	....	....	....
" Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	96⅛	Dec. 7,'04	96⅛	96	20,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	94	Dec. 31,'04	95	93	16,000
Tol., St.L.&Wn. prior lien g 3½'s	1925	9,000,000	J & J	90	Dec. 20,'04	90⅛	90	41,000
" registered			J & J	....	....	....	....	....
" fifty years g. 4's	1925	6,500,000	A & O	84	Dec. 31,'04	84	82⅛	371,000
" registered			A & O	....	....	....	....	....
Toronto, Hamilton&Buff 1st g 4s	1946	3,280,000	J & D	95¼	Sept. 16,'03	....	....	....
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	111	Dec. 14,'04	111	111	5,000
" 1st ref. g. 4's	1952	700,000	A & O	94⅝	Dec. 9,'04	94⅝	94⅝	2,000
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	107⅛	Dec. 31,'04	107⅛	105¾	479,000
" registered			J & J	104⅛	Dec. 29,'04	104⅞	102⅛	157,000
" 1st lien con. g. 4's	1911	76,489,000	M & N	113¾	Dec. 31,'04	116	106⅛	18,721,000
" registered			M & N	115¼	Nov. 30,'04	....	....	....
Oreg. R. R. & Nav. Co. con. g 4's	1946	21,482,000	J & D	102⅛	Dec. 29,'04	102⅛	102	19,000
Oreg. Short Line Ry. 1st g. 6's	1922	14,931,000	F & A	127	Dec. 31,'04	127	125⅛	46,000
" 1st con. g. 5's. 1946		12,328,000	J & J	121⅛	Dec. 31,'04	121⅛	119	98,000
" 4's&participat'g g. bds.	1927	41,000,000	F & A	104⅛	Dec. 30,'04	104⅛	103¾	423,000
" registered			F & A	103¾	Dec. 31,'04	103¾	103¾	6,000
" Guar. refunding 4's	1929		J & D	97⅝	Dec. 31,'04	97⅝	96⅞	166,000
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
" g. 5's	1926	1,802,000	J & J	114⅛	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	110	Dec. 8,'04	110	110	2,000
Wabash R.R. Co., 1st gold 5's	1939	33,011,000	M & N	118	Dec. 31,'04	118¼	117⅛	104,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	111	Dec. 31,'04	111⅛	110⅛	15,000
" deben. mtg series A	1939	3,500,000	J & J	95	July 21,'04	....	....	....
" series B	1939	26,500,000	J & J	66⅛	Dec. 31,'04	69¼	65	3,374,000
" first lien eqpt. fd. g. 5's	1921	2,755,000	M & S	102	Jan. 13,'04	....	....	....
" 1st lien 50 yr. g. term 4's	1954	1,715,000	J & J	....	....	....	....	....
" 1st g. 5's Det. & Chi. ex.	1940	3,349,000	J & J	112	Dec. 15,'04	112	112	2,000
" Des Moines div. 1st g. 4s	1939	1,600,000	J & J	97	Nov. 16,'04	....	....	....
" Omaha div. 1st g. 3½s	1941	3,000,000	A & O	86	Dec. 30,'04	86	85	15,000
" Tol. & Chic. div. 1st g. 4's	1941	3,000,000	M & S	98	Dec. 29,'04	98	95¾	11,000
St. L., K.C. & N. St. Chas. B. 1st 6's	1908	463,000	A & O	109⅛	Mar. 13,'03	....	....	....
Western Maryland 1st 4's	1952	28,760,000	A & O	90	Dec. 31,'04	91	88⅛	1,648,000
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	119¾	Dec. 19,'04	119¾	119¾	1,000
" gen g. 3-4's	1943	9,789,000	A & O	96⅝	Dec. 14,'04	96⅝	96⅝	8,000
" inc. 5's	1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va. Cent'l & Pitts. 1st g. 6's	1911	3,250,000	J & J	112	Sept. 20,'04	....	....	....
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	114	Dec. 29,'04	114	114	14,000
" Wheeling div. 1st g. 5's	1928	894,000	J & J	110¼	May 17,'04	....	....	....
" exten. and imp. g. 5's	1930	343,000	F & A	110	Mar. 6,'03	....	....	....
" 20 year eqptmt s.f.g. 5's	1922	2,152,000	J & J	102⅛	Dec. 30,'04	102⅛	102⅛	17,000
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,618,000	M & S	93¾	Dec. 30,'04	94	93	190,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	93	Dec. 31,'04	93	92	163,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	....	....	....	....	....
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	109	Dec. 30,'04	109¼	107⅛	64,000
" 1st ref. conv. g. 4's	2002	10,000,000	J & J	85¾	Dec. 30,'04	85¾	83¼	819,000
" " registered			J & J	....	....	....	....	....
" City R. R. 1st c. 5's 1916.	1941	4,373,000	J & J	109⅛	Nov. 18,'04	....	....	....
" Qu. Co. & S. c. gd. g. 5's	1941	2,255,000	M & N	105¼	Dec. 13,'04	105¼	105¼	1,000
" Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	110⅝	Dec. 29,'04	110⅞	109⅞	132,000
" stamped guaranteed			......	109¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	92⅛	Dec. 30,'04	93	92	130,000
" stamped guaranteed			......	....	....	....	....	....
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	89¼	Dec. 30,'04	89⅛	88	46,000
City & Sub. R'y. Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Lightg 1st&rfg. g 4½'s	1951	10,918,000	J & J	100¾	Dec. 31,'04	100¾	100¾	10,000
" stamped guaranteed			......	....	....	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97⅛	June 13,19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	918,000	J & J	....	....	....	....	....
Detroit Cit'ens St. Ry. 1st con. g. 5's	1905	5,485,000	J & J	103	Nov. 23.'01	....	....	....
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....	....	....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Metro. St. Ry N.Y. g. col. tr. g. 5's	1997	12,500,000	F & A	118⅛	Dec. 31,'04	118⅛	117¾	40,000
" refunding 4's	2002	15,134,000	A & O	93	Dec. 30,'04	93⅛	91¼	158,000
B'way & 7th ave. 1st con. g. 5's	1943	7,650,000	J & D	117¼	Dec. 29,'04	117¼	116¾	4,000
" registered			J & D	119⅛	Dec. 3,19'	....	....	....
Columb. & 9th ave. 1st gtd g 5's	1993	3,000,000	M & S	120	Dec. 7,'04	120	120	2,000

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" registered	3,000,000	M & S			....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	115⅝	Sept.20,'04	....	....	....
" registered		M & S			....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	36,943,000	J & J	97¾	Dec.30,'04	98	97½	199,000
" registered		J & J			....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	117½	Oct. 4,'04	....	....	....
Met. West Side Elev.Chic.1st g.4's.1938	9,808,000	F & A	94	June 2,'04	....	....	....
" registered		F & A			....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's........1919	4,050,000	J & J	106	Nov. 22,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1st g.5's.1937	3,763,000	M & N			....	....	....
St. Paul City Ry. Cable con.g.5's.1937	2,480,000	J&J15	110	July, 8'04	....	....	....
" gtd. gold 5's.........1937	1,138,000	J & J	112	Nov.28,'99	....	....	....
Undergr'd Elec.Rys.of London Ltd.		J & D	97¾	Dec. 31,'04	99½	97	380,000
5% profit sharing notes 1908 series A		J & D			....	....	....
" series B	16,550,000	J & D			....	....	....
" series C		J & D			....	....	....
" series D		J & D			....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	109½	Dec. 14,'99	....	....	....
United Railways of St.L.1st g.4's.1934	28,292,000	J & J	88½	Dec. 29,'04	89	87½	36,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	88	Dec. 29,'04	88	87⅛	227,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N			....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	*Price.*	*Date.*	*High.*	*Low.*	*Total.*
Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	103¾	Dec. 29,'04	104	103½	46,000
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.Ferry Co.of N.Y.1st c.g.5's.1948	6,500,000	F & A	63	Dec. 10,'04	64	63	16,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	107¾	Nov. 4,'03	....	....	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,655,000	A & O	78	Nov.25,'04	....	....	....
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J			....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's...........1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	95	Dec. 23,'04	95	93	9,500
" registered		F & A			....	....	....
Provident L. Soc. of N.Y. g. 4's..1921	1,000,000	M & S	98½	Dec. 16,'04	98½	98½	5,000
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J			....	....	....
St. Louis Terml. Cupples Station. & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D			....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113½	Dec. 18,19'	....	..	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series E 4's...........1907-1917	1,000,000	J & D			....	....	....
" F 4's...........1908-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's...........1903-1918	1,000,000	F & A			....	....	....
" H 4's...........1903-1918	1,000,000	M & N			....	....	....
" I 4's...........1904-1919	1,000,000	F & A			....	....	....
" J 4's...........1904-1919	1,000,000	M & N			....	....	....
" K 4's...........1905-1920	1,000,000	J & J			....	....	....
Small bonds	....	......			....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	100	Dec. 31,'04	100	99½	16,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	96¼	Dec. 30,'04	96¼	95	171,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	96½	Dec. 12,'04	97½	96	12,000
Am.Thread Co.,1st coll.trust 4's.1919	6,000,000	J & J	88⅞	Dec. 29,'04	88⅞	87	44,500
Barney & Smith Car Co. 1st g.6's.1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Consol. Tobacco Co. 50 year g. 4's.1951	157,378,200	F & A	74⅞	Dec. 31,'04	85¾	74	1,767,000
" registered		F & A	85¼	Dec. 3,'04	85¼	85¼	30,000
Dis. Secur. Cor. con. 1st g. 5's....1927	13,609,000	A & O	79⅛	Dec. 31,'04	80	77	2,338,000
Dis. Co. of Am. coll. trust g 5's..1911	2,580,000	J & J	99	Sept.16,'03			
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l Paper Co. 1st con.g 6's.1918	9,724,000	F & A	109	Dec. 27,'04	109½	109	21,000
Int. Steam Pump 10 year deb. 6's.1913	2,500,000	J & J	105½	Dec. 31,'04	105¾	104	177,000
Knick'r'ker Ice Co. (Chic) 1st g 5's.1928	1,937,000	A & O	97½	Oct. 6,'04	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	105½	Dec. 30,'04	106	105	201,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,851,000	J & J	90	Dec. 19,'04	90	90	1,000
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	73	Dec. 19,'04	73	73	4,000
Standard Rope & Twine 1st g. 6's.1946	2,740,000	F & A	45½	Dec. 30,'04	49½	45	39,000
Standard Rope & Twine inc.g.5s,.1946	6,806,000	......	5¼	Dec. 28,'04	7	4	104,000
United Fruit Co., con. 5's........1911	2,446,000	M & S			....	....	....

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MISCELLANEOUS BONDS—*Continued*.

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	*Date.*	DECEMBER SALES. *High.*	*Low.*	*Total.*
U.S. Env. Co. 1st sk. fd. g. 6's...1918	1,624,000	J & J	....	....	....	....	....
U.S. Leather Co. 6% g s. fd deb..1915	5,280,000	M & N	111½	Dec. 19,'04	111½	110¾	20,000
U.S. Reduction & Refin. Co. 6's..1931	....	......	86	Dec. 30,'04	86	80	132,000
U.S. Realty & Imp.con.deb.g.5's.1924	13,193,900	......	96	Dec. 30,'04	97¼	95	178,000
U.S. Shipbldg.1st & 1d g.5'sSer.A.1932	14,500,000	J & J	28	Feb. 5,'04	....	....	....
" collat. and mge. 5's..1932	10,000,000	F & A	91	Jan. 15,'03	....	....	....
U.S.SteelCorp.10-60yr.g.sk.fd5's 1963	....	M & N	92⅝	Dec. 31,'04	97¼	88¼	20037,000
" " " reg. 1963	170,000,000	M & N	93⅛	Dec. 31,'04	94	90⅜	27,000
BONDS OF COAL AND IRON COS.							
Col. Fuel & Iron Co. g. s.fd.g 5's..1943	5,355,000	F & A	103½	Dec. 28,'04	103½	102⅝	27,000
" conv. deb. g. 5's..........1911	1,710,000	F & A	90	Nov.21,'04	....	....	....
" " registered............		F & A	....	....	....	....	....
" " Trust Co. certfs......	12,358,000	......	85⅞	Dec. 30,'04	87	82½	876,000
Col. C'l & I'n Dev.Co. gtd g.5's..1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off............	....				....	....	....
Colo. Fuel Co. gen. g. 6's.......1919	640,000	M & N	107½	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.1919	949,000	A & O	102½	July 26,'02	....	....	....
Continental Coal 1st s. f. gtd. 5's..1952	2,750,000	F & A	107⅝	Dec. 12,'04	107⅝	107½	48,000
Jeff. & Clearf. Coal & Ir. 1st g. 5's1926	1,588,000	J & D	105½	Oct. 10,'98	....	....	....
" 2d g. 5 s.................1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal&Coke 1st g.5's 1951	3,000,000	J & J	105	Oct. 24,19'	....	....	....
Pleasant Valley Coal 1st g. s.f.5s.1928	1,146,000	J & J	106¼	Feb. 27,'02	....	....	....
Roch &Pitts.Cl&Ir.Co.pur my5's.1946	1,064,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's..1912	335,000	J & D	....	....	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's..1951	3,000,000	J & J	96¼	Dec. 30,'04	96½	96	114,000
" Tenn. div. 1st g. 6's......1917	1,182,000	A & O	111	Dec. 27,'04	111	111	6,000
" Birmingh. div. 1stcon.6's1917	3,637,000	J & J	112⅛	Dec. 27,'04	113½	111¾	56,000
Cahaba Coal M. Co., 1stgtd.g.6's1922	892,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&ICo.gtd.g.6's1910	2,729,500	F & A	105¾	Dec. 13,'04	105¾	105¾	1,000
Utah Fuel Co. 1st s. f. g. 5's......1931	853,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's...1949	6,426,000	M & S	87	Dec. 31,'04	87	82	289,000
GAS & ELECTRIC LIGHT CO. BONDS.							
Atlanta Gas Light Co. 1st g. 5's..1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union GasCo.1stcong. 5's.1945	14,493,000	M & N	116½	Dec. 29,'04	117	115½	11,000
Buffalo Gas Co. 1st g. 5's.........1947	5,900,000	A & O	69	Nov. 3,'04	....	....	....
Columbus Gas Co., 1st g. 5's......1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
ConsolidatedGasCo.,con.deb.6's..1909	17,653,000	J & J	179⅞	Dec. 31,'04	187	174	1,176,000
Detroit City Gas Co. g. 5's.......1923	5,603,000	J & J	101	Dec. 20,'04	101	100½	23,000
Detroit Gas Co. 1st con.g.5's.....1918	381,000	F & A	105	June 2,'03	....	....	....
Eq. G. L. Co.of N.Y. 1st con.g.5's.1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec.of Bergen Co. c.g.5s.1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s 1942	2,049,400	F & A	90	Dec. 19,'04	90	90	10,000
Grand Rapids G. L. Co. 1stg.5's.1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's....1949	9,180,000	M & N	108¼	Dec. 28,'04	108¼	107¼	14,000
Kansas City Mo. Gas Co. 1st g 5's.1922	3,750,000	A & O	100	Oct. 18,'04	....	....	....
Kings Co. Elec. L.&Power g. 5's..1937	2,500,000	A & O	....	....	....	....	....
" purchase money 6's....1997	5,010,000	J & J	125	Dec. 29,'04	125	124	28,000
Edison El.Ill.Bkln 1st con.g.4's.1939	4,275,000	J & J	96¼	Oct. 7,'04	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	10,000,000	Q F	108¾	Dec. 22,'04	109⅛	108⅛	27,000
" small bonds...............							
Milwaukee Gas Light Co. 1st 4's..1927	7,000,000	M & N	97½	Nov. 1,'95	....	....	....
Newark Cons. Gas, con. g. 5's....1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y.GasEL.H&PColstcol tr g5's.1948	15,000,000	J & D					
" registered..................		J & D	110¼	Dec. 30,'04	111	109¾	128,000
" purchase mny col tr g 4's.1949	20,927,000	F & A	95¾	Dec. 30,'04	96⅝	95¾	255,000
Edison El. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	104⅞	Dec. 7,'04	104⅞	104½	20,000
" 1st con. g. 5's...........1995	2,156,000	J & J	120¼	June27,'04	....	....	....
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's1930	2,272,000	F & A	107¾	Dec. 7,'04	107¾	107¾	1,000
N.Y.& RichmondGasCo.1stg. 5's.1921	1,000,000	M & N	100	Mar. 15,'04	....	....	....
Paterson&Pas. G.&E. con.g.5's..1949	3,317,000	M & S	....	....	....	....	....
Peo. Gas & C. C. 1st con. g 6's...1943	4,900,000	A & O	125	Nov.25,'04	....	....	....
" refunding g. 5's........1947	2,500,000	M & S	106¾	Dec. 28,'04	106¾	106	26,000
" refuding registered....		M & S					
Chic.Gas Lt&Coke 1st gtd g.5's.1937	10,000,000	J & J	110½	Dec. 30,'04	110½	110½	3,000
Con. Gas Co.Chic. 1st gtd.g.5's.1936	4,346,000	J & D	107	Dec. 31,'04	107½	106¾	21,000
Eq.Gas&Fuel,Chic.1stgtd.g.6's.1905	2,000,000	J & J	103	Dec. 6,'04	103	103	1,000
MutualFuelGasCo.1stgtd.g.5's.1947	5,000,000	M & N	102½	Nov.30,'04	....	....	....
" registered.................	....	......	....	....	....	....	....
Syracuse Lighting Co. 1st g.5's..1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g. 5's.1949	1,500,000	M & S	109	Feb. 8,'01	....	....	....
Utica Elec. L. & P. 1st s. f'd g.5's.1950	1,000,000	J & J	....	....	....	....	....
Westchester Lighting Co. g. 5's.1950	5,330,000	J & D	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

Name. Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	December Sales. High	December Sales. Low.	December Sales. Total.
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	38,000,000	J & J	94	June30,'04	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	10,638,200	Q & J	92	Dec. 17,'04	92	92	1,000
" registered....................		Q & J	100⅛	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	1,823,000	M & N	109¾	June22,'04	....	....	....
" registered....................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	112¾	Dec. 14,'04	112¾	112⅛	12,000
" fundg & real estate g.4½'s.1950	17,000,000	M & N	104⅝	Dec. 31,'04	104¾	104⅝	135,000
Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	107	June20,'04	....	...	....
Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	108	July26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

Name Principal Due.	Amount.	Int'st Paid.	Year 1904. High.	Year 1904. Low.	December Sales. High.	December Sales. Low.	December Sales. Total.
United States con. 2's registered...1930	542,909,950	Q J	107¼	104¾	....	....	......
" con. 2's coupon...........1930		Q J	106¼	104½	105	105	2,000
" con. 2's reg. small bonds..1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered..........1908-18	77,135,300	Q F	....	..	....	....	......
" 3's coupon.............1908-18		Q F	108	104¾	105	105	3,000
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908-18		Q F	107⅛	104⅞	104⅛	104⅛	500
" 4's registered.............1907	156,591,500	J A J&O	108¾	106⅝	....	....	......
" 4's coupon.................1907		J A J&O	108	104½	107	106½	34,000
" 4's registered.............1925	118,489,900	Q F	132⅞	131⅞	....	....	......
" 4's coupon.................1925		Q F	134	130⅞	131	130⅞	6,000
District of Columbia 3-65's...........1924	14,224,100	F & A	119¾	119¾	....	....	......
" small bonds.....................		F & A	....	....	....	....	......
" registered......................		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914-34	7,000,000	Q F	111¾	110	110	110	15,000
STATE SECURITIES.							
Alabama Class A 4 and 5..............1906	6,859,000	J & J	102¾	102	102¼	102¼	1,000
" " small............	....	....	....	....	....	....	......
" Class B 5's...................1906	575,000	J & J	....	....	....	....	......
" Class C 4's...................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's................1914	10,752,800	J & J	105½	102¼	105½	105½	2,000
" " small bonds..........							
North Carolina con. 4's...............1910	3,397,850	J & J	103¼	101	103¼	103¼	3,000
" small......................		J & J					
" 6's.......................1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds......1866-1900	556,500	J & J	....	....	....	....	......
" " 1868-1898		A & O	....	....	....	....	......
" new bonds............1892-1898	624,000	J & J	....	....	....	....	......
" "		A & O	....	....	....	....	......
" Chatham R. R..................	1,200,000	A & O	....	....	....	....	......
" special tax Class 1............	....	A & O	....	....	....	....	......
" " Class 2..............	....	A & O	....	....	....	....	......
" " to Western N. C. R....	....	A & O	....	....	....	...	......
" " Western R. R..........	....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R........	....	A & O	....	....	....	....	......
" " Western & Tar. R......	....	A & O	....	....	....	....	......
South Carolina 4½'s 20-40.............1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act.Mch.23, 1869, non-fde.1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's.........1913	13,122,000	J & J	97¼	95¼	97¼	96⅝	17,000
" registered.....................	6,079,000	J & J	....	....	....	....	......
" small bond.....................	362,200	J & J	95	95	95½	95½	500
" redemption 4's........... 1907	469,000	A & O	....	....	....	....	......
" 4½s.........................1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s.........1912	600,000	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

NAME. Principal Due.	Amount.	Int'st paid.	Year 1904. High.	Year 1904. Low.	December Sales. High.	December Sales. Low.	December Sales. Total.
Virginia fund debt 2-3's of 1991	18,054,809	J & J	97⅝	91⅛	97⅝	97⅝	16,000
" registered		J & J	93	93	....	....	......
" 6's deferred cts. Issue of 1871	8,974,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871.....	8,716,565	....	16⅛	6½	16⅛	8½	787,000
FOREIGN GOVERNMENT SECURITIES.							
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1......1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.							
Imperial Japanese Gov. 6% ster loan.1911	£10,000,000	A & O	95⅛	89	93⅛	89¾	2,205,000
Imperial Russian Gov. State 4% Rente....	2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.							
Quebec 5's..............................1908	3,000,000	M & N	....	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's..................	....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200..........................	£22,076,220	......	104⅛	93¾	94⅝	93¾	195,000
Small bonds denominations of £20......	....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.	....	......	....	....	....	....	......

BANKERS' OBITUARY RECORD.

Alvord.—Wm. Alvord, President of the Bank of California, San Francisco, died December 21. He was born at Albany, N. Y., in 1833, and went to California in the early '50's, becoming interested in steel manufacturing at Marysville. He became connected with the Bank of California, and in 1878 was chosen President. Mr. Alvord took a keen interest in politics, and was at one time mayor of San Francisco.

Barnes.—Gen. Alfred C. Barnes, President of the Astor Place Bank, New York city, and one of the well-known bankers of the State, died November 28, aged sixty-two years.

Barton.—Lewis N. Barton, Assistant Cashier of the Farmers and Merchants' National Bank, Winchester, Va., died December 1, aged forty-four years

Boyce.—Hon. David Boyce, President of the First National Bank, East Liverpool, Ohio, died December 1, aged eighty years. He was highly successful as a banker and manufacturer, and was greatly esteemed by all who knew him.

Burton.—W. E. Burton, Vice-President of the First National Bank, Wheaton, Minn., died November 22, aged thirty-two years.

Carlton.—Samuel A. Carlton, for thirty-four years President of the National Security Bank, Boston, died November 10. He was born at Salem, Mass., November 2, 1827. In 1872 he was a member of the Massachusetts Legislature.

Cassill.—Ernest D. Cassill, Cashier of the Hudson (South Dak.) State Bank, died December 6.

Cooley.—Francis B. Cooley, Vice-President of the National Exchange Bank, Hartford, Ct., and President of the Society for Savings, died November 25, aged eighty-two years. In his earlier years Mr. Cooley was interested in the dry-goods business in Chicago, but in 1865 he located at Hartford. For twenty-five years he was President of the National Exchange Bank, of that city. From 1883 to 1885 he was a member of the Connecticut State Senate.

Dewitt.—Peter Dewitt, President of the First National Bank, Somerville, N. J., died December 4, aged ninety years. He had been President of the bank for about twenty-five years.

Finch.—Jeremiah W. Finch, President of the Glens Falls (N. Y.) National Bank, and prominent in manufacturing enterprises, died December 16, aged seventy-eight years.

Finney.—Wm. C. Finney, Cashier for Messrs. Parker, Ewing & Co., Little Rock, Ark., died January 1.

Franklin.—Benjamin Franklin, President of the People's National Bank, Newark, Ohio, died December 6, aged sixty-nine years.

Geist.—Adam Geist, President of the Farmers' National Bank, Ephrata, Pa., died December 20, aged sixty-six years.

Graham.—Benjamin B. Graham, Vice-President of the Mechanics' National Bank, St. Louis, Mo., died December 12, aged sixty-four years.

Hiltner.—John A. Hiltner, Vice-President and Cashier of the National Shoe and Leather Bank, New York city, for the last ten years, died December 27.

Ilsley.—Charles F. Ilsley, President of the Marshall & Ilsley Bank, Milwaukee, Wis., and one of the well-known and successful bankers of the Northwest, died December 4, aged fifty-seven years.

Jameson.—Charles W. Jameson, President of the Southern Bank, of Fulton, Mo., died December 21, aged fifty-one years. He became Assistant Cashier of the bank in 1880, Cashier in the following year, and President in 1897.

Johnson.—John C. Johnson, President of the Delaware County National Bank, Muncie, Ind., died December 13. Mr. Johnson went to Muncie from Bridgeport, Ct., in 1884, and became active in manufacturing and other business enterprises. He served through the Civil War as a member of the 44th New York Regiment.

Kemp.—Thomas Kemp, President of the Welfleet (Mass.) Savings Bank, died December 18, aged seventy-four years.

Krug.—Henry Krug, Sr., President of the German-American Bank, St. Joseph, Mo., and prominently identified with business there for more than forty years, died November 30. Mr. Krug was born in Germany, March 21, 1822, coming to this country in the spring of 1849.

Murphy.—Frank Murphy, President of the Merchants' National Bank, Omaha, Neb., died in New York city December 12. He was associated with large financial undertakings in a controlling capacity, and was reputed to be worth about $5,000,000, which he had accumulated since 1857, at which time he went to Omaha without other resources than his own personal qualities.

Parsons.—John D. Parsons, Jr., President of the Albany (N. Y.) Trust Company, and also President of the National Exchange Bank, Albany, died December 16.

Pickering.—Hon. John J. Pickering, President of the Rockingham National Bank, Portsmouth, N. H., died December 23. He had been Cashier of the bank since 1849, having succeeded his father, and in 1876 was elected President. For several years he had been partially incapacitated for active work, owing to failing eyesight.

Reichelderfer.—John Reichelderfer, Sr., President of the Home Bank, Cridersville, Ohio, died December 20, in his sixty-fourth year.

Requa.—Glade Requa, Vice-President of the First National Bank, Spring Valley, N. Y., died December 4.

Rupert.—L. M. Rupert, Secretary of the Fidelity Trust and Savings Bank, Cedar Rapids, Iowa, died December 21.

Taggart.—W. W. Taggart, President of the National Union Bank, Watertown, N. Y., and President of the Watertown Savings Bank, died November 29.

Taylor.—George C. Taylor, Vice-President of the Appleton National Bank, Lowell, Mass., died December 27.

Wells.—Levi S. Wells, President of the Savings Bank of New Britain, Ct., died December 12, aged seventy years.

Wyman.—J. W. Wyman, President of the Citizens' National Bank, Port Henry, N. Y., and also engaged in the banking business at Crown Point, N. Y., died December 6, aged fifty-nine years.

THE

BANKERS' MAGAZINE

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-NINTH YEAR. FEBRUARY, 1905. VOLUME LXX, NO. 2.

THE OVERCERTIFICATION OF CHECKS has received considerable attention in the newspapers of late. This practice is by no means of recent origin. In 1869 Congress passed an act prohibiting the certification of checks drawn on any National bank unless the drawer actually had the money on deposit in such bank. For violating the provisions of the act any bank was liable to an action for the forfeiture of its charter. The penalty was so severe that its enforcement was deemed impracticable; but the agitation of the matter led to the presentation of a bill in the House imposing a fine of not more than $5,000 and not more than five years' imprisonment, or both, in the case of violation of the law regarding overcertification. This bill did not pass the Senate at that time, but the practice was checked and was not renewed to any great extent until 1879, when the Comptroller ordered special examinations to find if the law had been violated, and in case it had to secure evidence on which to base a suit for forfeiting the bank's charter. In 1883 and in the following year attention was drawn to the matter by financial disturbances in New York.

Section 5208 of the Revised Statutes of the United States declares that it shall be unlawful for any officer, clerk or agent of any National banking association to certify any check drawn upon the association unless the person or company drawing the check has on deposit with the association, at the time such check is certified, an amount of money equal to the amount specified in such check.

It has been contended that the term money, used in the section of the law quoted, means cash only; but this contention is scarcely tenable. If a bank discounts a note and passes the proceeds to the maker's credit, the bank is bound to pay checks drawn against this credit, and whether it pays the checks at once or merely certifies them makes but little difference. This is the practical view taken by the banks.

Section 13 of the act of July 12, 1882, provides: "That any officer, clerk or agent who shall wilfully violate the provisions of an act entitled an act in reference to certifying checks of National banks, approved March 3, 1869, * * * or who shall resort to any device, or receive any fictitious obligation, direct or collateral, in order to evade the provisions thereof, or who shall certify checks before the amount thereof shall have been regularly entered to the credit of the dealer upon the books of the banking association, shall be deemed guilty of a misdemeanor, and shall, on conviction thereof in any circuit or district court of the United States, be fined not more than $5,000, or shall be imprisoned not more than five years, or both, in the discretion of the court."

Whether the practice of some of the New York city banks in certifying brokers' checks on their single-name paper would be regarded as a "device" for evading the provisions of the law, might be an open question. The authorities charged with enforcing the law do not seem to regard this as a violation of the statute, and the banks have doubtless taken care to keep within the limits of safety.

The law against overcertification is, however, infringed by transactions of the character mentioned in spirit if not in letter, just as the laws regarding real estate loans and the limitation of loans made to one person to ten per cent. of capital are circumvented by various subterfuges.

Much can be said in favor of a rigid enforcement of these provisions of the National Banking Act; but on the other hand National banks in competition with other banks not so restricted find these restraints exceedingly irksome. Considerations of safety hardly demand that all these laws be adhered to literally. A National bank with $25,000 capital might lend Mr. Sage or Mrs. Green $3,000, and though it would violate the law in so doing, it would be absurd for the Comptroller to begin suit against the bank to annul its charter for such an offense. Perhaps a rational view of these laws would be that they are weapons placed in the hands of the authorities to be used in the interests of the shareholders. the depositors and the public, as occasion may require. It by no means follows that because a bank lends more than ten per cent. of its capital to one person or firm, it thereby jeopardizes the interests of its shareholders or depositors, and the same may be said with regard to loans on real estate and the practice of certifying brokers' checks in the manner referred to; but with the laws on the statute books the Comptroller has power to check such infractions of them as may threaten the safety of the banks.

In a country so vast as the United States, and with the diverse conditions under which banks are operated, it is exceedingly difficult to enact a law whose provisions may be universally and strictly applied.

In fact, a brief study of the subject will show that, while theoretically the laws should be lived up to by all banks alike, in practice a rigid construction of some of the provisions of the law would work great injury and injustice.

THE STATE BANKS AND TRUST COMPANIES get along very amicably together in most of the New England States, perhaps for the reason that there are no State banks. As the circulation privilege was a valuable one to the old New England State banks—the notes being superior to those issued in many other States—they either converted into National banks or went out of business altogether when the National banking system was inaugurated. For years the only banks in that section were National banks and Savings banks, but in comparatively recent years trust companies have developed, but they have no State banks as rivals. Practically, as in other States, the trust companies are banks with the added privilege of exercising trust company functions.

As this plan seems to work successfully in New England, the question arises whether it might not be advisable to confer trust company privileges on State banks in other States; or, in other words, to dispense with one set of institutions. Theorists have contended that the business of a trust company is incompatible with the conduct of a banking business by the same institution; but it has been found in practice that there is no good reason why a bank may not do a trust company business also. In fact, as has been said, most of the trust companies are simply banks with trust company functions added. Generally the two branches of the business are not intermingled, and as a rule the laws require that the various trusts be kept separate from the general assets, so that trust funds are handled purely as investments and are not subjected to any of the risks incident to commercial banks. Whatever valid objections may be urged against combining a bank and trust company in a single institution would seem to apply to most of the trust companies, as it is admitted that they are doing both a bank and trust company business. The practical adjustment of the relations of trust companies and banks would seem to be either that the trust companies be confined exclusively to the form of business indicated by their title, or that all banks be given the same privilege now enjoyed by the trust companies—the right to do both a bank and trust company business. This could be effected without any new legislation in most of the States. All that would be necessary would be for the banks to liquidate and reorganize as trust companies.

After all is said, the real question seems to be, which form of organization permits the use of banking capital with the maximum of

profit (safety also being considered) while affording the widest facilities to the public. A study of the statistics of the comparative growth of banks and trust companies leads to the belief that the trust company form of organization has the advantage. If this view is found to be the correct one, it would seem the part of wisdom not to curtail the privileges of the existing trust companies, but to confer like privileges on all State banks. This would cut down the profits of some of the trust companies, but the aggregate profits would be greater and more widely distributed.

COMPULSORY EXAMINATIONS OF BANKS by directors are advocated by the Superintendent of the New York State Banking Department. He recommends that a law be enacted requiring examination of banks every three or six months, either by the board of directors or by a committee of directors or by an accountant working under their instructions.

The examination of a bank by its officials acts as a check upon the employees, and an examination by the directors brings the actions not only of the employees under review, but the acts of the officers as well. It would seem that examination might go a step farther and provide for an examination by a committee of stockholders made up from those who are not members of the board. Where the officers of a bank conspire to misapply its funds, either by direct embezzlement or by improper loans, they are frequently abetted by some of the other directors who expect to share in the misapplication of the bank's money. Both the officers and directors are the appointed agents in control of the bank, and where there is any wrong-doing, embracing both the officers and the influential directors, it is pretty apt to be glossed over or concealed when they themselves make the examination. This danger could be avoided by having an inspection made either by an independent committee of shareholders or by a capable accountant who would be entirely uninfluenced by the directors or officers. Government examinations are necessarily more or less superficial, but there is no doubt of the value of careful inspections supervised by the managers and owners of the banks.

THE PSYCHOLOGICAL SIDE OF BANKING has been too much neglected. Hypnotic influences have been lightly dismissed as something too abstruse for the consideration of men of so practical a turn of mind as bankers are popularly supposed to be. There has been a disposition to treat the subject of hypnotism in a spirit of levity. But it is a very serious matter, as those who lent large sums to Mrs. CHAD-

WICK on apparently worthless security can easily testify. BYRON has descanted on the danger that lurks in a soft voice and the allurements of the "hypnotic eye" are well known, but seemingly not always avoided. The ornament that still deceives the world, and bankers among others, sometimes takes various material shapes, also. Grand schemes, involving large figures, rich dress, fine houses, gorgeous equipage—all these and other supposed concomitants of wealth, form an appropriate stage setting for the effective exercise of the subtler forms of enchantment by which the talented schemers insinuate themselves into the confidence of the banker. There are innumerable instances where phantom securities have been made to do duty as collateral for bank loans, but nothing is heard of them, owing to the comparative insignificance of the transactions. It is only the dazzling exploits of a Mme. HUMBERT or a Mrs. CHADWICK that fill the public prints.

Critics of those who are deceived by these shadowy securities overlook what is nearly always the controlling influence in the case—the atmosphere which the operator creates for the mystification of the victim. The means by which this effect is produced should be studied by all who wish to become proof against the wiles of the Chadwicks and Humberts and their humbler prototypes.

There has been established lately in New York an institution for psychical research, under the auspices of men of considerable attainments in the scientific world. Membership in the institution is open to those interested upon the payment of a moderate fee. In view of recent developments, and the many well authenticated cases where bankers have been subject to some mysterious power of mental subjugation, it would be a profitable investment for banks to become members of the institution above mentioned. The rising generation of bankers, too, who are being practically educated should have the advantage of being shown how to combat the occult devices that are frequently so potent in inducing bankers to part with coin or credit without adequate security.

THE PAYMENT OF EXCESSIVE INTEREST on commercial deposits in banks is severely condemned in the annual report of Superintendent KILBURN, of the Banking Department of the State of New York. He suggests the feasibility of a plan for having all banks which draw deposits from a common territory agree upon a reasonable maximum rate beyond which all would bind themselves not to go on allowing interest upon money that is in daily employment, and liable to immediate call.

Mr. KILBURN does not deplore the payment of all interest on commercial deposits, but only that which is excessive. It would be very

comforting to the banks and would materially increase their profits if they could attract a volume of deposits as great as they now hold without paying any interest whatever. But it is probable that if the practice of paying interest were abolished altogether a large part of the money now in discount banks would go to the trust companies, Savings banks and into fixed investments. Although the rate paid on commercial deposits is smaller than that paid where the deposit is fixed, there is compensation in the fact that the depositor has his funds available on demand and also enjoys other facilities provided by the discount banks.

Interest is a magnet that serves to attract money, and is an instrumentality whose proper use a bank can hardly afford to forego. But where one bank must outbid another and recoup the high interest allowed on deposits by making loans that are risky, the practice becomes destructive of sound banking principles. The matter hardly seems to call for legislative interference, but should be left to the banks themselves. Only by concerted action, however, can anything be accomplished.

THE RELATIONS OF COMMERCE AND BANKING form the subject of a treatise by Mr. GEORGE HAGUE, the well-known Canadian banker, the first installment of the series of papers having appeared in the January issue of the MAGAZINE.

Mr. HAGUE's banking experience began in England, and later in Canada he filled nearly all positions in a bank from accountant to General Manager, serving the Merchants' Bank of Canada for a quarter of a century in the last-named capacity. He was also connected with the Bank of Toronto for twenty-one years, and was for fourteen years of this time Cashier.

In both Great Britain and Canada banking is regarded as a science, and more care has been given to its study and practice than was formerly the case in this country. In recent years, however, there has been a considerable effort toward bringing banking education up to a higher standard, and while the bank manager with us is not always, as in England and Canada, a trained banker, he is much more likely to be experienced now than was the case only a few years ago. The sentiment in favor of better education for bankers has notably increased here, and aside from this the growth and importance of banking have stimulated the banks and those engaged in them to remove whatever foundation there may have been for the assertion that American bankers were frequently lacking in experience. It is probable that a considerable part of the apparent superiority of the banking systems of other countries has been due to the greater care exercised in the selection

and training of employees and officers. But whatever of inequality may have existed in this respect bids fair to disappear, as the bankers of the United States are showing an interest in banking education that promises to establish a standard of technical fitness among bankers here that will be as high as that maintained anywhere in the world.

Mr. HAGUE is eminently qualified to treat of the relations of banking and commerce, and a large part of his treatise will be devoted to a consideration of these relations. The practical education of a banker has, perhaps, been supposed to consist in a complete working acquaintance with the machinery of a bank, but Mr. HAGUE rightly discerns other qualifications quite as essential to the successful banker. His work, while relating chiefly to banking in Canada, cannot fail to be of great interest and value to bankers in the United States as well as to our northern neighbors.

THE INSURANCE OF BANK DEPOSITS by means of a tax on the deposits is a proposal that is very attractive to many persons, especially to those who think that the Government ought to relieve individuals of that degree of care and responsibility which ordinarily prudent persons are supposed to exercise in the conduct of their business affairs.

It is contended that as the Government has assured the safety of the circulating notes of National banks—by a process somewhat similar to that which the pawnbroker employs in lending money—it should go a step further and provide a fund to insure the safety of individual deposits. But a little consideration will show that the reasons for making circulating notes secure are much stronger than can be urged for guaranteeing the safety of deposits. While the bank notes are not legal tender, they are so for all practical purposes, and no one in business could afford to refuse to receive them, or even to discriminate against certain banks were the notes unequal in safety. Besides, without some general and adequate means of safeguarding the notes, many people would be helpless to protect themselves against serious losses. Hardly anyone except a banker has any means of determining as to the responsibility of a large number of widely scattered banks.

In the case of a depositor the situation is entirely different. No one is compelled to deposit in any particular bank or in any bank at all, and each depositor has at his command the means of judging of the character of the local institution in which he places his money. It might be said that whoever puts money into a bank which a little investigation would show to be recklessly managed, ought to lose the amount deposited. But when a bank fails the loss is not strictly limited either to the shareholders or the depositors, but by a suspension of business enterprises many innocent persons are made to suffer. If

insolvency only eradicated the weak banks and punished only those who were foolish enough to entrust their money to them, but little attention need be paid to any suggestions for insuring bank deposits, for bank failures under such circumstances would be beneficial rather than otherwise.

It must be admitted that it would tend to business stability if deposits in all banks were made absolutely secure. Under such a system weak banks would be eliminated, but only the shareholders would lose.

Conceding that the safety of deposits is desirable, the question arises as to how this safety may be assured. Neither the National Banking Act nor the State banking laws have proved adequate. In an address delivered before the last annual convention of the Bankers' Association of Illinois, Hon. Wm. B. Ridgely, Comptroller of the Currency, said: "No National bank whose officers strictly obeyed the National Bank Act ever failed; not one." If this statement is correct, the proper remedy for bank failures, at least for those of National banks, would seem to be a more rigid enforcement of the law, rather than to impose an additional tax on the banks. To tax all banks for the purpose of insuring the deposits in the comparatively small number that fail seems too much like punishing those who had no hand in the infraction of sound banking principles; but it is, of course, an open question whether the results would justify such an expedient. The matter will certainly bear discussion.

In no country in the world is banking so free and open as it is in the United States. As a consequence of this absence of stringent restraints upon the banking privilege, bank failures are rather numerous. But the marvellous growth of the banks shows that they are effectively serving the business interests and that the people have confidence in them. That this confidence is justified, in the main, with respect both to the National banks and those operating under State laws, cannot be doubted. But if the banks can be made still safer, without sacrificing anything material to their progress, any practicable method for achieving this result should be welcomed by the banks and their customers.

Savings banks will be interested in some legal decisions appearing in this issue of the Magazine. One relates to the payment of a deposit to a wrongful holder of a pass book, on a forged order. A bank that relies on the rule that it will be relieved from liability on making payment to anyone holding the pass book, is liable to suffer in consequence. The courts nearly always insist that, despite the existence of such a rule, and while acknowledging that it is a valid contract between the bank and its depositors, the bank must nevertheless exercise reasonable care

in making payments. The mere possession of a pass book, while presumptive evidence of the right of the holder to obtain the funds represented by it, is not conclusive evidence. The bank has the means of establishing the identity of the holder of the book, and neglects to exercise reasonable care at its peril.

Another decision relates to the troublesome question of joint account and the right to the fund on the death of one of the depositors. The banks are being continually vexed by accounts of this character and those made in trust. As the decisions of the courts do not seem to be altogether harmonious, it may be that additional legislation is required to establish the principles governing such cases. One thing is clear—Savings banks cannot be too cautious in opening accounts of the character mentioned.

CLEAN PAPER MONEY is generally conceded to be desirable, even if it has not been clearly shown that dirty paper is so deadly as many amateur bacteriologists would have us believe. Even in New York, where the banks can easily procure new money, and where it might be supposed considerable care would be exercised in this respect, the smaller denominations of currency commonly seen in circulation are intolerably unclean.

In an address delivered before the last annual convention of the American Bankers' Association, Hon. ELLIS H. ROBERTS, Treasurer of the United States, said:

"Of late another weakness in our currency is vigorously exposed. The paper money is not clean. Banks are not willing to pay the charges for transportation to secure new bills; if they were, the faces of the notes could be kept more nearly fresh as the bedewed morning flowers. No general agreement on such a policy is likely. Can Congress be induced to spend half a million or a million dollars a year for the increased redemption, the larger number of new bills, and the cost of shipment in and out?"

Treasurer ROBERTS did not attempt to answer this question. There has been further discussion of the subject at other conventions of bankers, and resolutions have been passed asking Congress to do something; but nothing has been done.

The total volume of paper money of the denominations of $1, $2 and $5 was, on December 31, 1903, $493,241,136, of which $83,488,987 was in denominations of one dollar, $48,483,582 in denominations of two dollars, and the remainder, $361,268,567, in denominations of five dollars. The bills here included are those which circulate most freely in ordinary retail transactions. They are handled many times, and the

aggregate annual payments made by the use of this volume of small bills, amounting to about half a million dollars, must be immense.

It is a question whether much of this use of small bills might not be obviated by the substitution of bank checks. Undoubtedly the small check is looked on by the banks as a nuisance, and perhaps it is; but, if they were issued in sufficient quantity to supplant the enormous aggregate circulation now represented by the paper money of smaller denominations, they might assume an importance they do not now appear to possess. At least, the short time they would circulate before being redeemed would assure their cleanliness. But it is by no means impossible to perfect the machinery of banking so that these checks, properly issued, might become a source of great profit—if not directly, at least indirectly.

It is scarcely credible that with all our progress in banking, and the improved facilities for transporting money offered by the post office and the express companies, postage stamps continue to form a very important part of the currency, as they did in 1862 and later when subsidiary coin disappeared. Publishers and mail-order houses receive many thousands of dollars annually in postage stamps, and it is no wonder that they cry aloud for some form of relief. Schemes for a postal currency have been urged upon Congress, but valid objections seem to have been brought forward.

The problem of supplying a form of paper to meet the wants of those who have small remittances to make does not appear to have been satisfactorily solved. Its importance would seem to justify the careful attention of the banks of the country.

TRUST COMPANY SHAREHOLDERS, according to a decision of the Appellate Division of the Supreme Court of New York, reported in this number of the MAGAZINE, have no presumptive legal right to subscribe for new shares of stock at par when the opportunity exists of selling the stock at a premium to persons not shareholders. The court did not decide whether the shareholders would have a prior right to subscribe for the new stock had it been offered to outsiders at par, this question not being up for determination. Of course, any company desiring to do so can provide in its charter how new stock is to be sold.

While it is not pleasant for shareholders to be deprived of the profits that would inure to them by being permitted to obtain stock at par which is worth a large premium, still the judgment reached would seem to be based on sound principles, taking the interests of the company into consideration.

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

STATE STATUTES RELATING TO TRUST COMPANIES.—*Cont'd.*

MICHIGAN.

Seven or more persons may incorporate to carry on a "trust, deposit and security business." Articles of association must be executed in triplicate and filed. The capital must be at least $300,000 in cities of 100,000 inhabitants or more, and at least $150,000 in smaller places, and may not exceed $5,000,000; fifty per cent. must be paid in at the start and the balance within six months. Before the company begins business, fifty per cent. of the capital, but not more than $200,000 in amount, in securities, must be deposited with the State Treasurer. The number of directors must be seven or more, and each must own at least ten shares of stock. Before a dividend is declared, one-tenth of the net profits must be carried to a surplus fund, until it equals twenty per cent. of the capital. Powers specified, to hold real and personal property in trust; to execute trusts for married women and minors; to administer court trusts; to act as agents or attorneys for the transaction of business; the management of estates, the collection of income, principal, etc.; to act as fiscal agent, transfer agent and registrar; to act as executor, administrator, trustee, receiver or assignee, guardian of any minor, incompetent person, lunatic, or any person subject to guardianship, courts being authorized to make such appointments; except in the discretion of the court, trust companies acting in these capacities need not be required to give security other than the deposit with the State Treasurer; to loan upon real and collateral security; to issue its notes and debentures payable at a future date; but nothing herein contained shall be construed as giving the right to buy and sell bank exchange, or do a general banking business; to do a safe-deposit business; to become sureties in cases where, by law or otherwise, one or more sureties are required, except as surety on any recognizance for criminals; to do a title insurance business. Such companies may hold real estate needed for the transaction of business, including with the business office other apartments in the same building to rent as a source of income, and such as is acquired in the settlement of debts; but the latter shall not be reckoned as an asset for longer than five years. They may hold real estate in trust. They must keep a reserve of twenty per cent. of "matured obligations and money due and payable." Of this three-fourths may be kept in any bank or trust company approved by the Commissioner of the Banking Department. The securities to be deposited with the State Treasurer shall consist of bonds secured by mortgages, or notes and mortgages on unincumbered real estate in Michigan, worth double the amount secured thereby, or public stocks and bonds of the United States, of Michigan, or of any State of the United States

* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

that has not defaulted on principal or interest for ten years, or in duly authorized issues of counties, townships, school districts and municipalities in such States. The directors may invest the balance of the capital, and moneys received in trust, in the same securities, "or in such real or personal securities as they may deem proper." The stockholders are subject to double liability. Reports must be rendered quarterly or oftener, at the call of the Commissioner of the Banking Department. Such reports must be published in a newspaper. Reports must be made within ten days after each dividend, giving amount of dividend, amount carried to surplus, and net earnings in excess thereof. Such corporations are under the supervision of the Commissioner, and must be examined by him annually and when requested by the directors. If an unsafe condition is revealed, the Commissioner and the Attorney-General institute proceedings for the appointment of a receiver. The records of the stockholders must be open to inspection by directors, officers, stockholders and the creditors of the company.

(Compiled Laws 1897, Chapter 162, §§ 6156–6189. Acts 1897, No. 106.)

MINNESOTA.

Fifteen or more persons may incorporate "annuity, safe deposit and trust companies." The name adopted must be such as to be not readily confounded with that of an existing corporation; and corporations not organized under the trust company laws are forbidden to advertise a trust business. The capital shall be not less than $200,000, and not more than $2,000,000, divided into shares of $100 each. No business may be transacted until at least one-fourth of the outstanding paid capital, and not less than $50,000 in amount, has been invested and the securities so obtained deposited with the Auditor of State. The securities in which this deposit may be invested are bonds of the United States or of any State therein, bonds of the cities of St. Paul, Minneapolis or Duluth, and in certain other municipal bonds, county, school district and railroad bonds described in the statute. These securities are held by the Auditor "as collateral security for the depositors and creditors of said corporation, and for the faithful execution of any trust which may be lawfully imposed upon and accepted by said corporation." Other like securities may be substituted from time to time. The income of same goes to the corporation making the deposit. The number of directors of such a corporation may be from nine to twenty-seven; a majority of them must be citizens of the State, and each must own at least ten shares of stock. Each director serves three years, one-third of them retiring each year. Directors are required so take an oath of office.

The powers specified for such corporations are the ordinary powers of corporations, and in addition, to hold real estate necessary for the convenient transaction of its business, and such as is acquired by foreclosure, etc.; but no investments may be made in real estate, either of the funds of the company or of trust funds, unless by virtue of a particular contract with the maker of a trust; to loan on mortgage security; "to purchase notes, bonds, mortgages and other evidences of indebtedness and other securities;" to hold real or personal property in trust; to receive trusts from courts, from public or private corporations or from persons; to execute trusts for married women with respect to their separate estates; to act as fiscal and transfer agent and registrar; to act as depository for court funds, for officers and for persons

acting in trust capacities; to act as trustee, assignee, receiver, executor, administrator, guardian of the person or estate of minors, guardian of the estate of any lunatic, imbecile, spendthrift, habitual drunkard or other person unable to manage his estate; the courts are authorized to make such appointments, and no bond or other security need be required of the corporation; to act as general agent and attorney in fact for the management of estates, "and generally to act for and represent corporations or persons under powers and letters of attorney in all respects as a natural person could do;" and to become sole surety upon any bond or undertaking in suits or special proceedings in courts. Persons holding fiduciary appointments may resign in favor of a trust company. Trust funds of $100 or over must be invested within a year in the same kinds of securities as those specified for the deposit with the Auditor of State, and such securities must be allowed by the probate court in settlements. Trust funds and accounts must be kept separate from other funds and accounts of the corporation; securities purchased with trust funds must be endorsed to the company as trustee, etc. Orders of courts or agreements regarding the investment of trust funds must be followed. "No such corporation shall engage in any banking, mercantile, manufacturing or other business, except such as is hereby expressly authorized." No loans shall be made to directors, officers or employees, nor shall they be allowed to become indebted to the corporation in any way; and violation of this is made the crime of embezzlement. Such companies are at all times subject to further orders from the courts appointing them to trusts, and must render statements to such courts when called for. They are subject also to the general jurisdiction of the district court of their county. They must render statements annually in June to the Public Examiner, and have same published in a newspaper, with a list of stockholders, and give additional information when called for by the Examiner. The Public Examiner must examine every such company each year or oftener. If he finds an unsafe condition, he may take charge at once of all the affairs and property of the company, and apply to the proper court for a receiver. Such companies are forbidden to make an assignment, but must notify the Examiner instead.

(Compiled Statutes, 1894, §§ 2841–2854. Laws 1895, Chapter 146. Laws 1897, Chapter 229. Laws 1899, Chapter 200. Laws 1903, Chapter 70.)

MISSISSIPPI.

Chapter 33 of the Laws of the Extraordinary Session, 1897, pertains to trust companies. There seems to be some question as to whether the act became law, but the evidence is that it did, such being the opinion of the Committee on the Judiciary.

The act provides that such corporations may be created under the general laws, with powers to receive moneys in trust; to receive and execute trusts of every description from persons or corporations or trusts committed to them by courts; to hold real and personal property in trust; to execute or guarantee bonds required in any proceeding in law or equity; to act as registrar and transfer agent; to act as agent for the investment of money; to act as guardian for minors and insane persons, as executor or administrator; to do a fidelity insurance business, and to loan on real or personal security. The capital must be not less than $100,000, one-half paid in, and may not exceed $2,000,000. Such corporations may establish a "mutual loan department,"

in which the expenses, losses and profits shall be kept separate from all other departments. They may own real estate needed for the convenient transaction of business, and such as is necessary to secure debts. They are required to make reports twice each year; but no official is named to whom such reports must be made. The reports must be published in a newspaper. The books and records are "subject to the inspection of any person interested."

MISSOURI.

Trust companies may be incorporated by three or more persons. Articles of agreement must be filed with the local recorder of deeds and with the Secretary of State. The life of the corporation may not exceed fifty years.

Powers specified, to receive money in trust; to do a safe deposit business; to execute trusts of every description for persons and corporations; to execute trusts received from courts; to act as assignee, receiver, trustee and depositary; to hold real or personal property in trust; to act as agent and attorney in fact for persons and corporations in the management of property and for the investment of money; to act as transfer agent and registrar; to execute trusts for married women in respect to their separate property, and to act as agent for the management of such property, "and generally to have and exercise such powers as are usually had and exercised by trust companies;" to act as executor, administrator, guardian or curator of any infant, insane person, idiot or habitual drunkard, or trustee for any convict in the penitentiary, under the appointment of any court of record having jurisdiction; to do a fidelity insurance business; to loan money upon real estate or collateral security, and to execute and issue its notes and debentures payable at a future time, and to pledge its mortgages on real estate and other securities as security therefor, but such notes and debentures may not exceed in the aggregate ten times the paid-up capital, and may not exceed the amount of first mortgages pledged to secure their payment; to buy and sell all kinds of Government, State, municipal and other bonds, and all kinds of negotiable and non-negotiable paper, stocks and other investment securities.

The amount of capital shall be not less than $100,000, and not more than $10,000,000.

The number of directors shall be not less than five nor more than twenty-five; all of them must be stockholders, and a majority of them must be *bona fide* citizens of the State. If the number of directors exceeds five, they shall be divided into three classes, so that one-third of the number shall retire each year, the term of each member being three years. The directors may invest moneys placed in their charge in loans secured by real estate or other sufficient collateral security, in public bonds of the United States or of this State, or in the bonds or stocks of any incorporated city or county in this State. Such corporation may own only such real estate as is required for the transaction of business, and such as is acquired in satisfaction of debts due it. They must render statements to the Secretary of State on his call and according to the form prescribed by him. Such part of this statement as the Secretary of State prescribes shall be published in a local newspaper. The books and records of the corporation shall be kept open for inspection of all persons interested.

Upon making with the Superintendent of the Insurance Department a deposit of $200,000, consisting of cash, Treasury notes of the United States,

or Government, State, county, municipal or other bonds, or bonds, notes or debentures secured by first mortgages, or deeds of trust or mortgages, or deeds of trust on unencumbered real estate in the State of Missouri, worth at least double the amount loaned thereon, or such other first-class securities as the said Superintendent may approve, and upon satisfying said Superintendent of its solvency. any corporation organized under this act shall be permitted to qualify as guardian, curator, executor, administrator, assignee, receiver, trustee by appointment of court or under will, or depositary of money in court, without giving bond as such, and also to become sole guarantor or surety upon bonds and to do fidelity insurance business. Such deposit shall be primarily liable for obligations of the company due to its acting in the capacities named. Companies availing themselves of this section shall be subject to the provisions of sections 7962, 7965, 7966, 8015, 8016, 8018, 8019 and 8020 of the Revised Statutes of 1899, so far as applicable and not inconsistent with the statutes above outlined.

The Secretary of State, personally or by an appointee, must examine each trust company at least once a year. If he finds an unsafe condition, he may take temporary charge, and notify the Attorney-General to institute proceedings for having a receiver appointed. Banks and trust companies are forbidden to make a voluntary general assignment. Trust companies may accept the provisions of the act governing Savings and safe deposit institutions, and be endowed with the powers and subject to the regulations and limitations of such institutions. Among the provisions to which they are then subject are the following: Before a dividend is declared, ten per cent. of the net earnings must be carried to a guaranty fund until such fund equals the amount of the capital; and from the surplus of profits above that required for dividends, after the guaranty fund equals the capital, an indemnity fund must be accumulated until it equals ten per cent. of the deposits.

(Revised Statutes, 1899, §§ 1304, 1424–1439, 1440–1472.)

MONTANA.

Three or more persons may incorporate to carry on a "trust deposit, security and loaning business." Articles of agreement must be filed with the Secratary of State, and a copy with the county recorder of deeds. The term of existence of the corporation may not exceed fifty years. The capital must be not less than $100,000 nor more than $10,000,000. The number of directors must be not less than three nor more than twenty-five; all must be stockholders, and a majority must be *bona fide* citizens of the State. If their number exceeds five, the term of office of each shall be three years, and one-third shall retire each year.

Powers specified, to receive moneys in trust; to accept and execute trusts of every description committed to them by persons, corporations or by order of courts; to hold any real or personal estate in trust; to execute or guarantee any bonds required to be given in proceedings in law or equity; to act as agents for the investment of money; to act as transfer agent or registrar; to execute trusts for married women in respect to their separate property, and to manage same, "and generally to have and exercise such powers as are usually had and exercised by trust companies;" to act as trustee, assignee, receiver, administrator, executor, guardian of the person and estate of any minor, or of the estate of any lunatic, imbecile, spendthrift, habitual

drunkard or other persons unable to manage their estates; to do a fidelity insurance business; to do a title insurance business; to loan money upon real or personal security; to issue its notes or debentures payable at a future time, and to pledge its mortgages upon real estate or other securities as security therefor; to buy and sell Government, State, county, municipal and other bonds, and all kinds of negotiable, non-negotiable and commercial paper, stocks and other investment securities; to become endorser and surety; to receive both time and demand deposits; to do a safe deposit business.

The directors are authorized to invest the capital "in good securities;" and the capital and funds entrusted to the company may be invested in notes or bonds and mortgages on unincumbered real estate in the State, or in stocks and bonds of this State or any State or Territory of the United States, or in the bonds of any county, city, town or school district of this State. Such corporation may own only such real estate as is required for the transaction of its business and such as is acquired in the settlement of debts due it. Reports must be made to the Auditor of State quarterly and when called for by him. The books and records must be open to examination by the stockholders, the Auditor of State, or persons appointed by the Auditor or by the Legislature. The property of the corporation shall be assessed for taxation in the same manner as that of National banks.

(Code, 1895, §§ 590–611. Act of March 15, 1901.)

MR. DOOLEY AS A DEPOSITOR.

BY F. P. DUNNE.

"If iver I have anny relations with a bank, Hinnissy, it won't be in th' way iv puttin' money in. Wore ye iver in a bank? I was wanst. Wanst I was eighty-five dollars on me way to bein' a milyonaire an' I wint downtown an' threw th' money into th' window an' told th' banker to take th' best iv care iv it. 'We can't take this,' says he. 'Why not?' says I. 'I don't know ye,' says he. 'Niver mind that,' says I. 'It's me money not mesilf I'm thryin' to inthrajooce to 'scieety,' says I. 'It's a very nice kind iv money, an' even if ye don't like it now 'twill grow on ye,' says I. 'Or at laste I hope so,' says I. D'ye know, Hinnissy, he wudden't take th' money till I cud get Dorsey, th' plumber, to assure him that I was fr'm wan iv th' oldest families that had come to Archey road since th' fire. Havin' satisfied himsilf that me money was fit f'r other people's money to assocyate with, he tol' th' polisman to put me in a line iv people with blue noses who were clutchin' at postal ordhers in front iv a window where a young fellow fr'm wan iv th' rile fam'lies iv Europe sat. Th' prince was properly indignant at havin' to take money fr'm sthrangers an' he showed it be glarin' at th' impydint depositors. Whin it come me turn, I wanted to tell him how I hated to part with me little money, how long me money an' me had slept together an' niver had a cross worrud; how its slightest nod was a command to me, but now I suppose th' time had come whin it must go out an' see something iv th' wurruld, on'y I hoped 'twud be happy among sthrangers an' he wud be good to it, because 'twas all I had an' not large for its age. I felt very sintimental, Hinnissy. F'r two years I'd counted that money forty times a day. I knew every wrinkle on it. I had what ye might call a legal tenderness f'r it. But befure I cud deliver me sintimintal address, called 'A poor man's farewell to his roly-boly,' th' young duke grabbed th' bundle, tossed it over into a pile, hit me on the chest with a pass-book, mutthered 'burglar' under his breath, an' dhrove me fr'm the bank penniless."

THE FEDERALIZATION OF BANKING.

The Federal regulation of everything and everybody, which now seems to be so favorably regarded, is likely to be extended to include all classes of banks, if those who favor a more centralized banking system can have their way.

The Secretary of the Treasury in his last annual report to Congress, after recounting the really wonderful progress of trust companies in recent years, goes on to say: "I suggest the propriety, therefore, of a law giving trust companies of large capitalization in large cities the privilege of incorporating under Federal law, with corresponding supervision." The Secretary's argument seems to be, in effect, that the trust companies are getting so big that they may become "an element of danger." He does not explain just how this danger is to arise or what it is.

Many of the trust companies themselves realize the value of more uniform laws regulating their business, and doubtless in some States more effective supervision is desirable. These reforms may be obtained more readily from the State Legislatures than by a Federal law.

This suggestion of Federal regulation of trust companies may be only the beginning of a movement entirely to obliterate State banks. In this connection it should not be lost sight of that the National banks were devised as agents in placing the loans of the Government during the Civil War. At that time, as now, many of the banking systems of the States were not far behind the present National banking system, so far as banks of deposit and discount were concerned. Indeed, the National Banking Act was modelled, in part at least, on the banking law of New York. But the statesmen who had the direction of the finances of the country thought the National banks, with their privilege of issuing circulating notes based on the public debt, were a necessity. Actually, however, the circulating privilege was of little use at the time, and when the war closed the circulation had reached only about $100,000,000. The tax on State bank notes, though imposed March 3, 1865, did not go into effect until August 1, 1866, or fifteen months after the close of the war. Of course the use of the bonds during the progress of the civil conflict and in subsequent years greatly aided in upholding their market value.

Aside from the circulation privilege, however, which is now of relatively little importance either to the banks or the Government, the National banks have a great advantage over the other banks in one respect—they are operated under uniform laws and are subject to the same supervision and control by the Federal Government wherever located. In a country where the business relations of the separate States are intermingled, as in the United States, this is a strong recommendation for any system of banks. While uniform laws and identical methods of supervision do not make the National banks in each State equally strong, they tend to that result in so far as it may be accomplished by legislation and supervision. Any one dealing with a National bank, wherever located, need only familiarize himself with the National Banking Act to know what regulations

that bank is under regarding the payment of its capital, its loans, liability of shareholders, etc. Though the State laws may be, and in many of the States are, substantially as carefully drawn as the National Banking Act, yet there is considerable diversity not only in the laws themselves but particularly in their construction by local courts.

The uniformity of the National banking system is an element in its favor, but this craze for uniformity, which seems to be a recent development, may be carried too far. Conditions are by no means uniform throughout the United States, and the diverse needs of the different sections of the country call for a system of banks adapted to local requirements. Indeed, with all the stock objections against State bank notes, and the cry of "wildcat" that is raised whenever such a currency is mentioned, it is probably true that the West and South to-day would be greatly benefited by a circulation issued subject only to State regulation. The high rates exacted for loans in many localities, due to the fact that the National banks are forbidden to use their credit in the form of circulating notes, support this view. But whether it would be wise to permit the issue of State bank notes or not, there is no possible doubt of the efficient service rendered by State, Savings and private banks and trust companies in providing facilities for loans, some of which—like those on real estate—are prohibited by the National Banking Act.

If all banks were placed under Federal law, it would be found exceedingly difficult to secure needed amendments of the law. Congress rarely passes any financial legislation, and such as is passed is of the mildest character. Successive Comptrollers have pointed out needed reforms in the banking law, relating chiefly to administrative details, but Congress pays no attention whatever to these recommendations. State Legislatures, on the other hand, usually heed a demand for needed modification of the banking laws.

The unparalleled growth of banking in the United States, including all classes of banks, shows that these institutions are meeting a real want, and to reduce them all to a level might seriously impair their usefulness. Gradually and surely the standard of banking is being raised, while the State laws still permit the latitude necessary to the free development of the various classes of banks. It would seem that all the banks fulfill a useful purpose, that all are reasonably safe, and that there is no justification for a movement looking to Federal control of those now operating under other authority.

Handles Millions, Counts Cents.—A simple illustration will show the care that is taken of cents by the First National Bank of Chicago. Stamped postal-cards are not used, and not one of the thousands of routine letters that are written every day is stamped or sealed until the whole routine mail of the day is assembled in the afternoon. Then all the cards and letters to one correspondent are put in a single envelope, and—except for letters from the officers and the like—the bank comes as near as possible to getting its entire mail carried at two cents an ounce, or a cent for every postal-card, instead of often paying two cents for a quarter of an ounce, as it would have to do if every communication were sealed and stamped separately. This little matter of getting full value out of a two-cent stamp makes a saving of from $25 to $30 a day.—*The World's Work.*

A PRACTICAL TREATISE ON BANKING AND COMMERCE.

By GEORGE HAGUE.

FORMER GENERAL MANAGER OF THE MERCHANTS' BANK OF CANADA

THE ELEMENTARY PRINCIPLES OF COMMERCE IN CONNECTION WITH BANKING.

It has been shown in a former chapter how naturally the business of a banker is connected with that of a merchant. Therein are roughly sketched the elementary features of a banker's business, as custodian of the money of the community in which he lives, and the source whence the temporary wants of the commercial portion of that community may be supplied.

As this is a treatise. not solely respecting banking, but banking *and commerce*, it is reasonable to consider also the elementary principles of commercial business, including in that term not merely those who buy goods and sell them, but those who in various ways produce the goods required to be sold.

Going back, as some persons now living can do, to the earliest developments of commerce, in certain parts of this continent, the time can be recalled when its sole production was in the shape of the skins of fur-clad animals. Before the time of farms and mills and crops and mines, was the time when the trapper, or hunter, penetrated to remote depths in the forest, or to unknown wastes of the prairie, capturing the animals, whose fur was so highly prized by the civilized world, and bringing the skins for sale to a central depot. There still flourishes, on both sides of the Atlantic, the great Trading Corporation, which has carried on this traffic, without interruption, for more than two centuries, over half a continent, whose centres of trade, generally called "forts," have, in some instances, developed into important towns and cities of the present day. In these forts, the Hudson Bay Company received the furs from the Indian tribes around them, and gave suitable goods in exchange, on such equitable terms that the Great Company came to be looked upon as the embodiment of all that was just and honorable, as well as rich and powerful. This reputation, first acquired many generations ago, the Hudson Bay Company and its agents have never lost.

There were similar operations in the older parts of French Canada, New England and New York, and also in the remote regions of the Far West of the United States.

These were the first beginnings of commerce in North America, and a legitimate development it was; namely, the gathering together from remote regions of what was useful to mankind, and bringing back in exchange such products of other parts of the world as were suitable to the wants of its inhabitants.

But the simple trade of early days on tnis Northern Continent has now developed under modern forms of division of labor, into various great lines of export and import trade. Instead of furs as the sole product for export, we now have grain and flour, cattle and cheese, pork and fish, timber, iron,

and gold, as well as many varieties of manufactured articles. And instead of simple imports of beads and ammunition, we have laid the whole world under tribute for the supply of our wants, and built warehouses and stores in our cities filled with every possible requirement of modern comfort and luxury. For the great Creator of the world has so ordered that the different parts of the earth shall have productions complementary to each other. The East produces what the West needs, and the West supplies the wants of the East. The South produces one set of commodities, the North another, the interchange of which is of mutual advantage. A perfect exemplification of this may be found, though on a small scale, in the simplest store of any Canadian town or village. In such a place are gathered for sale the products of almost every country under the sun. China has contributed tea, Java sugar, the West Indies coffee and fruits. On its shelves are to be found spices from the Eastern Archipelago, and currants from the Mediterranean. There are woollen goods made from raw materials supplied by flocks of sheep in Australia, cotton goods from the produce of plantations in the Southern States of America. The factories of great Britain, France and Germany have contributed their quota, as well as those of the United States and Canada. There is, in truth, scarcely a country or climate in the world which has not taken part in furnishing the shelves of even a simple Canadian village store.

A remarkable thing, truly; and it is worth considering how this has come to be. Evidently, it cannot have come to pass without a combination of mercantile operations on the part of numbers of individuals, many of whom had no idea what the final result would be, and also just as complicated a machinery for the supply of *money* during the process.

Let a typical example be taken. How, for example, has that chest of tea come to find its way to a place so remote from that of its growth? The cultivator of tea-plants in the interior of China cannot have any idea of the persons who are to consume his produce. But these small parcels of tea, when once produced by the cultivator, become almost immediately subject to the operations of COMMERCE. The country trader of an interior province makes his appearance, and purchases the products of a few plantations around him. His knowledge, however, is limited, and so is the extent of his operations. He passes the tea on to a trader of larger capacity in a commercial centre. Even he has little comprehension of the distances the chests will have to traverse before reaching their final destination; and little indeed can these traders comprehend how many agencies, both of commerce and banking, have to be combined before the products of those plantations can make their appearance on the other side of the world; to be sold, and finally consumed, by people of whom the Chinese tea-grower and merchant have no more idea than they have of the inhabitants of the moon.

The Chinese tea-planter never writes a letter to the Canadian storekeeper, advising him that he is growing a number of choice tea-plants, and asking whether he will buy the leaves when ready. But, if he did, and the storekeeper listened to his proposal (let us imagine this for a moment), some questions would arise, one of which would be, How is the tea to be delivered? and another, How is it to be paid for?

The producer and possible consumer are thousands of miles apart; separated by vast stretches of sea and land, how, then, can they trade together? A very pertinent question; and it would pass the wit of any of the declaimers against middle-men to answer it, except in one way. *They must be brought*

*together by middle-men; to speak in language becoming the subject, by merchants,** who will conduct his operations accordingly. He will inevitably follow also the law of "buying in the cheapest market, and selling in the dearest," for he could do no business if he did not. This law is as beneficent as it is inevitable: inasmuch as goods *are cheap wherever they are redundant;* and *dear where they are scarce.* At every stage of these complicated processes, the banker finds his place, and renders assistance. Almost from the time when the seed is sown, the mine opened, the trees felled, the fishing fleet sails, and all through the journeys taken, either by raw materials or finished products, to their destination *the aid of the banker is required* and rendered.

Throughout the whole processes of trade, the banker co-operates by supplying money to those who carry it on and also by transporting money, from place to place, as needed.

The bankers who take part in the work are of various grades. Some of them, indeed, take only a small part: passing it on to others of a larger calibre and with wider connections. The largest class bankers not only supply money at firsthand to the men who purchase the products of the planter and the farmers, but they also open credits for the lumberer and the foreign merchant, give cash for the bills drawn by the exporter on foreign correspondents, lend money to the importer to pay customs duties and finally assist in the distribution of finished products, by discounting the notes given to him by his customers.

What are the methods and principles under which all this is done; which of them are sound, which of them conduce to success, and which lead to failure or disaster, will be fully opened up in subsequent papers.

Mr. Hague's article in the March number of the MAGAZINE will treat of the "Principles of Banking and Development of Private Banking in England."

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* For the sake of argument, let us suppose that some tea planter determines to dispense with intermediaries and to go, in person, to the consumer of his products. To enable him to do this, he will probably borrow money from one of the numerous bankers who abound in the interior of China. The project would certainly find favor with those who imagine the merchant to be the natural enemy of the producer, and who sometimes initiate arrangements with a view to dispensing with him altogether, by which—to say truth—they generally lose money. In pursuance of this idea, the planter will proceed with his tea to the nearest river, or canal; down which he voyages, week after week, to a seaport—with his tea. He then crosses the ocean, lands on this continent; pays customs duties, and travels thousands of miles, arriving at last in a commercial city of Canada or the United States. Thence he proceeds to find his customer, and dispose of his product.

But, is it not evident, that the expenses of such a journey as this would more than swallow up the whole value of his tea, and probably leave him stranded in a foreign city, unable to return home. For the few chests of tea, which he had been able to produce, would have had to bear the whole expenses of his journey.

This may seem an absurd illustration, but it represents what would be inevitable, in case the theory of dispensing with "middle-men" were fully carried out.

If the ignorant prejudice against intermediaries were to prevail generally, almost every farmer on this continent would require to undertake some such a journey every year.

The first journey of the kind would undeceive him, and compel him to acknowledge, that the merchant is as necessary a factor in business as the producer. For it has been demonstrated by experience, that even if a number of farmers *pool* their products, and appoint an agent to sell for them,—*his remuneration, on the average, will be as much as the profits of a merchant;* and *their* risk far greater.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

SAVINGS BANKS—DEGREE OF CARE REQUIRED IN MAKING PAYMENTS.

New York Court of Appeals, December 30, 1904.

KELLEY *vs.* BUFFALO SAVINGS BANK.

The only practical general rule to which Savings banks can be held, in paying money to a party producing the pass book, is the rule of ordinary care; leaving it to be applied in the light of the special circumstances characterizing each separate case.

This action was brought by the administratrix of Ellen Neville, deceased, to recover from defendant bank the amount of certain deposits which with interest up to the time of the commencement of the action were said to have amounted to upwards of $2,100.

The material facts as found by the trial court and unanimously affirmed by the Appellate Division were substantially as follows: On January 30, 1871, the plaintiff's intestate, Ellen Neville, then about eighteen or nineteen years of age, opened an account with the defendant bank. A bank book was issued to her in her name and she signed her name in the signature book kept by the defendant for purposes of identification. At the time when this account was opened there were in force certain rules adopted by the defendant which were posted in a conspicuous place in its banking room and also printed in each pass book issued by it. One of these rules provided that "the secretary will endeavor to prevent frauds, but all payments made to persons producing the deposit books or duplicates thereof shall be good and valid payments to the depositors respectively." Another rule provided that "on the decease of any depositor the amount standing to the credit of the deceased shall be paid to his or her legal representatives when legally demanded."

During the lifetime of Ellen Neville she made sixteen deposits to the credit of this account, presented her book to the defendant fifteen times for the purpose of having interest credited thereon, and drew two checks upon said account, one dated September 22, 1873, for $335.98, and the other, dated July 7, 1877, for $23.31. These were presented with her pass book, and she received the money thereon. She died on or about the first day of December, 1878, at the age of about twenty-five or twenty-six years, and at the time of her death there remained to her credit on said account the sum of $884.43. This is the amount, with compound interest, which the plaintiff seeks to recover in this action.

Ellen Neville left her surviving her sister, the plaintiff, another sister named Kate, and her mother. At the time when this account was opened they all lived together in the city of Buffalo. Each of Ellen's sisters had a bank account of her own.

Nearly twenty-three years after Ellen's death, and on the 22d of May, 1901, the plaintiff applied for and received letters of administration. About ten years ago the mother and sister Kate became inmates of St. Francis' Asylum for the Aged and Infirm of Buffalo, where they remained until the time of

their deaths, which occurred about two or three years, respectively, before the trial. When they entered this asylum they paid to it the sum of $1,000.

When Ellen died, on December 1, 1878, her bank book was in the house, where the whole family then lived, and was taken possession of by her mother or her sister Kate, or the plaintiff. Subsequent to Ellen's death the bank book was presented to the defendant by the mother or the sister Kate or the plaintiff for the purpose of having interest credited thereon on ten different occasions between the 1st of January, 1879, to and including July 1, 1883, and on March 4, 1882, the pass book was presented by some person unknown to the defendant (such person so presenting said book being the mother, the sister Kate or the plaintiff), and a deposit of $70 was duly made and entered therein.

Subsequent to Ellen's death the moneys to the credit of this account were paid out by the defendant on five separate drafts or written orders drawn in the name of Ellen Neville, as follows: December 28, 1878, $41.43; June 2, 1880, $50; July 30, 1881, $70.45; August 14, 1883, $56.62; September 1, 1883, $937. No part of these moneys was paid to the legal representative or representatives of Ellen Neville, but the payments referred to were made to her mother or to one of her sisters, and the signatures on these five drafts or orders purporting to be the signatures of Ellen Neville were not her signatures, but were made by her mother or one of her said sisters.

The findings relating to the conduct of the bank officials in the payments of these drafts were as follows:

"That by a critical examination and comparison of the said signatures on each of the aforesaid drafts or orders with the true signature of said Ellen Neville, entered and signed as aforesaid in the book of signatures, it would have been apparent to a competent bank officer that neither of the signatures to said drafts or orders was the genuine signature of said Ellen Neville.

That at the respective times at which such drafts or orders were presented to the defendant for payment the defendant made no critical examination or physical comparison of the signatures thereon with that of the said Ellen Neville entered and signed in the book of signatures of depositors kept by the defendant aforesaid.

That said drafts or orders were paid by defendant on presentation of the same with the pass book, and the defendant made no effort by a critical examination or physical comparison to ascertain the genuineness of the signatures of any of said drafts or orders, or to ascertain the identity of the person presenting the same.

That there does not exist such a disparity or difference between the signature of said Ellen Neville upon the signature book of the defendant and the several signatures upon said five checks, or any or either of them, as to create doubt or misgiving concerning the genuineness of said five signatures, or any or either of them, in the mind of a competent and reasonably careful bank officer, when presented by a person unknown to him, with the bank book; and, therefore, the defendant exercised due care and caution, and was not guilty of negligence in paying the five checks in question, nor in paying any or either of them."

These findings of fact were followed by the legal conclusion that the complaint should be dismissed.

WERNER, *J.*: Upon the foregoing facts the trial court dismissed the complaint. At the Appellate Division the judgment entered upon that decision was unanimously affirmed. This court must, therefore, assume that every fact found is based upon sufficient evidence (Marden vs. Dorthy, 160 N. Y. 39; Reed vs. McCord, id., 330; People ex rel. Man. Ry. vs. Barker, 152 N. Y., 417), and the judgment must be sustained unless the conclusion of law upon which it is predicated is erroneous, or other fatal errors affect the rulings made upon the trial.

The immediate question presented by this appeal is whether, upon the record before us, the plaintiff is entitled to recover, and, as the decision of this question necessarily involves an inquiry into the duties and responsibilities of savings banks toward their depositors, the case is one of more than ordinary professional interest and practical importance. Savings banks are prominent factors in our modern business life. Many of them count their

deposits by the millions and number their depositors by the thousands. Many, if not most, of these depositors are persons in the humbler walks of life, living in widely scattered sections of their respective communities, visiting the banks infrequently, having no personal acquaintance with bank officials or employees and no convenient or satisfactory means of immediate identification when their identity is questioned.

These conditions are in striking contrast with those which prevail in the intercourse between the officers and employees of discount banks and their patrons. The majority of the latter are persons actively engaged in business, making daily or at least frequent visits to their respective banks. Their signatures are familiar to the officers and employees of the banks, and if, now and then, there is need of identification it can usually be furnished without much difficulty. These considerations clearly indicate the difference between the two classes of banks, as well as the necessity for the law which permits Savings banks to adopt reasonable rules adapted to the nature of their business, which rules, when properly adopted and promulgated, are binding upon them, their depositors and those who succeed to their interests. Outside of these special rules, however, there are many questions affecting the interests of Savings banks and their depositors which must be determined by broad and comprehensive legal rules of general application. One of these questions arises out of the relations between Savings banks and the legal representatives of deceased depositors. What degree of care must a Savings bank exercise in paying money out of a depositor's account after his death, upon the production of his bank book and the presentation of a draft purporting to bear his signature, when the bank has had no actual notice of the depositor's death, and nothing has transpired to charge it with knowledge of that fact? That is the question which underlies all other questions in this case.

In view of what has been said concerning the relations of Savings banks and their depositors towards each other, it becomes obvious that any general rule that would require Savings banks to act in such circumstances at their peril, without regard to the degree of care exercised, would ultimately cast as great a burden upon depositors and their legal representatives as upon the banks, and would disastrously affect the beneficent work which such institutions are designed to accomplish. If it were the duty of Savings banks to establish at all hazards the identity of every person presenting a depositor's bank book and draft, it would be quite as impossible for them to continue business as it would be for some persons to avail themselves of the best known and most generally approved method of investing and accumulating the fruits of frugal and patient economy. The same would be true of any other rule so onerous in its operation that such institutions could not do business without great inconvenience both to them and their depositors.

A single illustration will suffice to demonstrate this. Take the case of a large Savings bank with so many accounts that it is impossible for the paying teller to know each depositor. It would be utterly impracticable to do business if each application for a withdrawal of money had to be delayed until a searching inquiry could be made as to the regularity of the transaction. But even if such a course were possible, so far as the bank were concerned, what would be the effect upon the poor and unknown depositor whose place of residence may be remote from the banking house and who may have no acquaintance with anyone who would be of the slightest assistance in identifying him? He would have no way of getting money that rightfully belonged to him, or at least might find his efforts in that direction so burdensome as to amount to the same thing. This is not an extreme illustration, but one that is fairly typical of the relations between great Savings banks located in large centres of population with many depositors whose accounts are small and whose deposits are made at rare intervals. Upon reflection it becomes obvious, therefore, that the only practicable general rule to which Savings banks can be safely held in such dealings is the rule of ordinary care, leaving it to be applied in the light of the special circumstances that characterize each separate case. This is the rule that has been laid down by this court in a variety of similar cases (Schoenwald vs. Met. Sav. Bank, 57 N. Y., 418;

Appleby vs. Erie Co. Sav. Bank, 62 N. Y., 12; Kummel vs. Germania Sav. Bank, 127 N. Y., 488).

In the case of Allen vs. Williamsburgh Savings Bank (69 N. Y., 314), the wife of a depositor had wrongfully secured possession of his pass book, forged his signature to a draft and obtained payment from the bank. But there the bank had adopted a special by-law requiring it to use its best efforts to prevent fraud and this was construed to bind the bank to a higher degree of care than that enjoined by the general rule.

It is to be observed that all of the cases above cited present instances of payments to the wrong persons during the lifetime of the depositors, and it is true that in construing certain rules so generally adopted by Savings banks as to have acquired almost the binding force of statutes, it has been held by this court that there is a difference between the relations of a Savings bank and a living depositor on the one hand, and the relations of such a bank and the legal representatives of a deceased depositor on the other hand.

The rules referred to are among the by-laws adopted and promulgated by the defendant bank, and are as follows:

"The secretary will endeavor to prevent frauds, but all payments made to persons producing the deposit books or duplicates thereof shall be good and valid payments to the depositors respectively.

On the decease of any depositor the amount standing to the credit of the deceased shall be paid to his or her legal representatives when legally demanded."

In the recent case of Mahon vs. South Brooklyn Savings Institute (175 N. Y., 69), we had occasion to discuss the effect of these two rules, and as bearing upon the defense that the bank had exercised due diligence in paying out money upon the account of a deceased depositor, we said, "The rule of diligence invoked by the defendant applies only to the case of a living depositor. When, through a depositor's carelessness, his bank book gets into the hands of a third person, who presents it to the bank, the latter may show its care and diligence in making payment to the person presenting the pass book, and thus protect itself against a second demand for payment by the careless depositor. But the by-law which is designed to protect the bank in such a case must be read in connection with the other by-law, which provides that after the depositor's death, payment must be made 'to his or her legal representatives.' This latter by-law is for the protection of the depositor who can no longer protect himself, and, therefore, the bank is bound to see that payment was made to the proper person. Payment to any other person is made at the bank's peril."

That case is now relied upon by the appellant. As applied to the facts there established, the language just quoted was precise and correct, because the bank had knowledge of the depositor's death, and assumed to pay out the money credited to her account to one who claimed it by virtue of an alleged gift causa mortis, which the trial court found had never been made, and the unanimous affirmance of that finding of fact by the Appellate Division left this court no alternative but to apply the rule there laid down. In that case the finding of fact clearly established the absence of ordinary care, and the decision reached by this court was the only logical sequence of the finding. The language of the opinion is general and comprehensive, but of that it is enough to say that judicial discussion is to be limited to what is actually decided (People ex rel. Met. St. R'y vs. State Board of Tax Comm'rs, 174 N. Y., 417).

In the case at bar the situation is different. While there is no direct finding to the effect that the officers of the respondent bank had no knowledge of Ellen Neville's death, that is the direct and inevitable implication of the other findings, and thus the question that remains to be discussed is whether the findings as to what the officers of the bank actually did support the legal conclusion that they were not guilty of negligence in making payments to the persons who presented the decedent's pass book and drafts purporting to have been signed by her. The substance of the findings upon that subject is that a critical examination and comparison of the signatures on the several drafts referred to with the true signature of the decedent would have disclosed the fact that the signatures on the drafts were not genuine; that

the officers of the bank made no critical examination *or physical comparison of the signatures* on the drafts with the genuine signature of the decedent, entered and signed in the bank's signature book, and that the officers of the bank made no effort by a critical examination *or physical comparison* to ascertain the genuineness of the signatures on the drafts or to ascertain the identity of the person presenting the same. The use of the disjunctive "or" in these findings separates that portion of them which relates to a critical examination of the signatures from that which relates to a physical comparison thereof, and fairly construed they import that no physical comparison of the signatures was made by the officers of the bank.

These two findings are not necessarily inconsistent with each other, but they are so divergent as to entitle the appellant to the benefit of the one most favorable to her (Redfield vs. Redfield, 110 N. Y., 671).

Whether the failure to make a physical comparison of the signatures in the case at bar was consistent with the exercise of ordinary care on the part of the defendant bank may depend upon peculiar facts which are not found in the record before us. The finding quoted in the foregoing statement of facts, to the effect that there was no such disparity or difference between the signature of said Ellen Neville upon the signature book of the defendant and the several signatures upon five checks, as to create doubt or misgiving concerning the genuineness of said five signatures in the mind of a competent and reasonably careful bank officer, when presented by a person unknown to him with the bank book, and that, therefore, the bank exercised due care and caution and was not guilty of negligence is more in the nature of a conclusion of law than a finding of fact, and the difficulty with it is that there are no facts found to support it.

It is possible that there may be special cases in which it may not be necessary for bank officers to make a physical comparison between one signature on file with a bank and another upon a draft or check presented to it for payment; but if so, there must exist some unusual and pertinent excuse that is not discoverable in the findings now before us tending to show that the failure to make such a comparison is not at variance with the requirements of ordinary care. We think the finding most favorable to the appellant, to wit, that the defendant made no physical comparison of the signatures upon the five drafts with the signature of Ellen Neville in the defendant's signature book, does not support the conclusion of law to the effect that the complaint should be dismissed, and for that reason the judgment herein should be reversed.

TRUST COMPANIES—RIGHT OF STOCKHOLDERS TO TAKE NEW STOCK—PRICE.

New York Supreme Court, Appellate Division, First Department, December, 1904.

WILLIAM E. D. STOKES *vs.* CONTINENTAL TRUST COMPANY OF THE CITY OF NEW YORK.

Where a trust company issues new stock, which it contracts to sell at a price largely above par to persons who can bring large deposits and profitable business to the company, a stockholder is not entitled to a pre-emptive right to subscribe for his proportionate part thereof at par.

The plaintiff, upon the organization of the Continental Trust Company in 1890, became one of its original stockholders; and in the year 1897 he held 221 shares out of a total issue of 5,000 shares. This trust company started with a capital of $500,000, and it had accumulated on January 1, 1902, a surplus of $1,048,450.94, making the book value of the stock on that day $309.69 a share.

In the summer or fall of 1901 the banking house of Blair & Co. made a proposition to the officers of this trust company to purchase 5,000 shares of its stock at $450 per share, provided the capital stock of the company should be increased by that amount. The proposition of Blair & Co. was coupled with the condition that it should have every share of the new

stock. After receiving the proposition of Blair & Co., as appears from the minutes of the executive committee under date of December 16, 1901, the President, Mr. Bannard, "reported that an offer had been made by Mr. Dennis, of Blair & Co., for 5,000 shares of Continental Trust Company stock at $450 a share, provided the existing capital stock was increased to that extent; that the proposed purchasers were a group of men who could bring large deposits and profitable business to the company, and that they would require not more than ten places on the board of trustees, the names to be satisfactory to the executive committee. After careful deliberation, it was resolved that the executive committee recommend to the board of trustees that the proposition be approved and that the board call a special meeting of stockholders to vote upon the question."

This recommendation of the executive committee was approved by the board of trustees, and the latter accordingly on or about January 6, 1902, through the President of the trust company, sent out a notice calling a meeting of the stockholders for January 29, the object stated being to vote on a proposition to increase the capital stock and to determine whether the whole of such increase of stock should be sold to Blair & Co. A circular letter was also sent at the same time, in which the advantages of the proposal made by Blair & Co. were set forth at length, and recommending the acceptance of the proposition. At such meeting the stockholders, without a dissenting vote, adopted a resolution to increase the capital stock, and on the resolution for the sale of the stock to Blair & Co. this plaintiff, representing 221 shares, and another stockholder, representing twenty shares, were the only dissenting votes. The stock of the company was accordingly increased and sold to Blair & Co. and their associates at the price named, $450 a share.

The rumor of the negotiations with Blair & Co. caused an increase of the value of the stock, so that the market value rose from about $425 per share in the middle of September until, in January, 1902, the actual market value of the stock was fixed by stipulation at $550 per share. The result of the sale at the price named, $450, doubled the capital of the company and more than doubled its surplus, so that the actual book value of every share of stock, including the plaintiff's, was increased from $313 to $381 a share, and the market value of every share of stock, including the plaintiff's, was largely increased, as shown by an actual sale of the stock at $700 a share within but a year after the transaction was consummated.

The plaintiff, before, at the time, and after the meeting at which the increase of stock was voted, claimed that he was entitled to a proportionate amount of the new stock at par on the day of its issue, and the Judge at Special Term decided that the action of the defendant in refusing to receive plaintiff's subscription for 221 shares of new stock at par was unlawful, and a decision was made directing judgment to be entered against the defendant for the damages sustained by the plaintiff, namely, the difference between the par value of 221 shares and the market value, with interest and costs. Judgment was entered for $115,151.07, and from that judgment the defendant appealed.

O'Brien, *J.*: The plaintiff's contention is that when the Continental Trust Company increased its capital stock, he, being a stockholder, had the right in preference to any other person to subscribe at par for the new stock in proportion to the number of shares of original stock held by him. This right, he insists, is inherent, presumptive and vested, and that it is not within the power of all the other stockholders or officers of the corporation to deprive him of it.

All the text writers on corporations range themselves in support of these contentions, and there are many dicta to be found in cases which sustain them. It would only extend this opinion to quote from these at length, nor is it necessary, because every text writer who has dealt with the subject, as well as all the cases in the different States that have either directly or remotely touched upon it, is cited, collated and ably discussed in the briefs of counsel. We may, however, profitably refer to Cook on Corporations (5th Ed., §286), which embraces in substance what is stated by other text writers, it being said: "When the capital stock of a corpo-

ration is increased by the issue of new stock, each holder of the original stock has a right to offer to subscribe for and to demand from the corporation such proportion of the new stock as the number of shares already owned by him bears to the whole number of shares before the increase. * * * The corporation cannot compel the old stockholders upon their subscription for new stock to pay more than the par value thereof."

It is important in reaching a conclusion in the absence of any controlling authority in this State upon the precise question involved that we should have before us the facts which are determinative of the question presented. There is nothing in the charter of the trust company, there is no statutory law; nor any resolution of the directors or the stockholders requiring that the new issue of stock should be distributed among the existing stockholders. On the contrary, it appears that the officers and trustees recommended the increase and the stockholders voted for it for the purpose of selling it to Blair & Co. Nor do we understand that it is seriously contended that in acceding to the proposition of Blair & Co. to sell the entire new issue at the price fixed, there was any discrimination against any stockholder, or that there was any bad faith on the part of the officers, or that all the stockholders did not share equally in the benefits arising from the arrangement which was consummated.

By a process of elimination, therefore, we may pass over such of the cases cited as involve questions relating to the issue of new stock wherein, whether by force of a statute, or by the charter of the corporation, or the resolution of the directors, express provision is made for distribution among existing stockholders. So, too, we may eliminate the cases wherein the directors of the company were engaged in perpetrating fraud upon stockholders, or where, without authority of law or the vote of stockholders, or other acts clearly ultra vires, the directors attempted to increase the capital stock. In addition, we have cases cited in support of plaintiff's proposition from other States, beginning with the old case decided in 1807, of Gray vs. Portland Bank (3 Mass. 364), wherein we find language in the opinion of the court which does support the contentions of the plaintiff as broadly as they are made. From this case and others following it the views of the text writers in their summary of the law on the subject have undoubtedly been taken.

Passing from the decisions of other States, which, however valuable as arguments, are not controlling, we should seek in the decisions of our own State for guidance and help upon a question of so much importance to our own citizens. Strange as it may appear though the question must have frequently arisen, we are referred to but three cases in which the subject was discussed or passed upon. These are Miller vs. Illinois Central Railroad Co. (24 Barb. 312); Matter of Wheeler (2 Abb. Pr., N. S. 361), and Currie vs. White (45 N. Y. 822).

The first of these cases (Miller vs. Illinois Central Railroad, supra), was decided by the General Term of the Supreme Court in this Department in the year 1857. The facts were that R. and G. L. Schuyler held a receipt from the Illinois Central Railroad, which obligated the railroad to issue in payment of a loan 750 shares of the issue of the second million of the company's stock when authorized by the directors. The Schuylers assigned to the plaintiff Miller the right to take and receive to his own use 399 shares of the stocks to be isssued as set forth in the receipt. The issue was authorized and made, and the receipt was surrendered by the plaintiff to Schuyler, and he received his 300 shares of the stock. Previously, the company resolved to issue 70,722 additional shares, and also determined by the same resolution to whom they should be issued, and what number to each person. If these 70,722 shares had been distributed to the previous holders of stock in proportion to their holdings, the 300 shares subsequently acquired by the plaintiff would have been entitled to 562 shares of the new stock. The plaintiff claimed, and in this he was sustained at Special Term, that he was entitled to this latter amount. The judgment rendered in Miller's favor by the Special Term was reversed by the General Term and a new trial granted, it being held, first, that if as between the Schuylers and the plaintiff, the latter had been entitled to the 562 shares

of new stock, the company, not having any notice of his rights, was not bound by them; and, second, as between him and the Schuylers, he was not at the time when this stock was created, and his right to it is said to have accrued, the owner of the 300 shares upon the strength of his title to which he based his claim; and, third, the ownership of these 300 shares did not necessarily, nor so far as the evidence shows, entitle the holder to the 562 shares, and the distribution or delivery of them to him, whoever he may have been.

The criticism made by the respondent upon this case is, that so far as appears, Miller was claiming the new stock as a gratuity and without any payment for it whatever. Mr. Justice Peabody, who wrote the opinion in that case, discussed the three points upon which the decision turns, the second of which was, that if the plaintiff was the owner of the 300 shares at the time of the issue of the new stock, he had no absolute right as such owner to a distributive allotment of the new stock.

In the second case (Matter of Wheeler, supra), which did not involve the question here presented, and is valuable only as containing a dictum of a learned judge, it was said: "As I understand the law, all these important stockholders had a right to share in the issuing of this new stock in proportion to the amount of the stock held by them. And if none of the stock was to be apportioned to the old stockholders, they had certainly the right to have the new stock sold at public sale and to the highest bidder, that they might share in the gains arising from the sale. In short, the old stockholders, as this was good stock and above par, had a property in the new stock, or a right at least to be secured the profits to be derived from a fair sale of it, if they did not wish to purchase it themselves; and they have been deprived of this by the course which these directors have taken with this new stock by transforming or issuing it to themselves and others in a manner not authorized by law."

The third case (Currie vs. White, supra) contains an expression by Judge Folger upon the question which he was discussing and in which a majority of the court agreed, favorable to the plaintiff. He says, referring to the facts of that case: "The contract between the parties is an agreement for the sale of shares of stock, the shares to be delivered in the future, and the purchase price then to be paid with interest. This contract was executory * * * But the parties meant more than this by their contract. The one meant to buy and the other agreed to deliver these shares with all the rights which attached to them at the time of making the contract. One of these rights was to take new shares upon any legitimate increase of the capital stock, which right attaches to the old shares, not as profit or income, but as inherent in the shares in their very creation (Atkins vs. Albree, 12 Allen, 359; Brander vs. Brander, 4 Ves. 800 and notes, Summer Ed.)."

So far as the cases in this State are concerned, therefore, they leave the precise question which is presented for our determination an open one, and we are at liberty to consider it as we would any other which has been frequently discussed, but never authoritatively decided. In approaching it it is important, in speaking of the right which a stockholder has, that we should clearly distinguish between a case where the directors propose to issue new stock and sell it at par, and one wherein it is proposed to sell it at its actual or market value when it has increased, as in the present instance, to a value more than four times its par value. And another distinction which is important is whether the right which a stockholder has is one which would entitle him to subscribe to the new stock which issued at its actual value, or is a right to subscribe for it at its par value.

It is to be noted that the plaintiff here did not offer nor ask to be allowed to subscribe at the price which Blair & Co. were willing to pay to the trust company for the stock when increased. What he insisted upon was that, regardless of its value or the price that the corporation could obtain for it, he had an inherent right to obtain the stock at par. If wrong in this position, even though he might have had a right to his proportion of the new stock had he offered to pay for it the same price offered to the trust company by Blair & Co., he cannot recover. He stands or falls in the position

which he took and has throughout the controversy maintained, that, notwithstanding the corporation could sell the increased stock to Blair & Co. for $450 a share, he was entitled, upon payment therefor at par, to receive the same number of shares of the increased stock that he held of the original stock of the company.

Much might be said, and considerable force may be derived from the view of text writers and from the expressions in opinions, in support of the proposition that a stockholder, as against an outsider, has a primary or pre-emptive right to subscribe for any increase of stock made by the corporation. This primary or pre-emptive right, however, to subscribe at par for increased stock which is to be issued at par, or, where the value of the stock is greater than its par value and it is proposed to issue it at its greater price, to subscribe for it at such price, in preference to outsiders, it is quite different and distinct from the right here claimed, which is that of a stockholder to have at par stock which is worth or can be sold, in the interest and for the benefit of the corporation to others, for four and a half times its par value. We do not think, in the absence of any statute of the State conferring such right, or provision in the charter of the corporation, or in the resolution authorizing the increase, or of fraud or illegality in making the increase, that this contention as to the right of stockholders which the plaintiff here asserts can be sustained either in law or in reason.

It is not claimed that there is any statute in this State which confers such right, nor are any of the other conditions to which we have adverted present which in any way affects the exact question which we are discussing, namely, whether or not the officers, directors and a majority of the stockholders of a corporation, when acting in good faith and in the interest and for the benefit of the corporation and the stockholders, could increase its capital stock and sell it to outsiders for a sum greatly in excess of its par value without giving to a dissenting minority stockholder the privilege of obtaining his proportion thereof at par.

The status as well as the rights of the stockholder with respect to the issue of new or increased stock has been set forth with clearness and in a manner that commends the reasoning to our judgment in the opinion of Mr. Justice Peabody in the case to which we have already adverted of Miller vs. Illinois Central Railroad, supra, in the following language: "The ownership of stock of the company gave to the owner an undivided interest as owner in the property of the corporation—an interest which bore the same proportion to the whole property as his shares did to the whole number of shares. This right was a right or proportionate interest in the assets of the company and in the proceeds and benefits of the property of the company. These assets were the property of the corporation. This was a right not to any part of the assets separately and exclusively—not a right to an immediate exclusive possession of or property in any particular part of those assets; not a right to an immediate distributive share of the assets or any part of them—and no more a right to a distributive share of any stock of the corporation belonging to itself than to any other property belonging to it. Prima facie, all the property of the corporation was dedicated to its use for the purpose of advancing the enterprise for which it was organized; and any stock it might own, whether of its own capital or that of any other company, like any other property, was to be used in the discretion of its officers to accomplish that end in the manner most beneficial to the corporation and corporators as such."

This case, as well as the case cited by the plaintiff of Reese vs. Bank of Montgomery County (31 Pa. St. 78), furnishes reason for the defendant's contention that the right to issue the new stock was like a corporate franchise or any other property of the corporation which it held in trust for the benefit of all its stockholders, and which was to be administered by the stockholders or the directors for the best interest of all and in such manner that no one should gain any unfair advantage or benefit therefrom to the exclusion of or at the expense of any of the others.

In nearly all the cases relied upon by the plaintiff a court of equity was appealed to to prevent unjust and unconscionable benefits to officers or

fellow-stockholders at the expense of another stockholder. If, however, upon the facts here appearing, the plaintiff can succeed, a court of equity will be assisting in consummating a transaction which will enable a single stockholder to retain all benefits in common with his fellow stockholders, and, in addition, obtain the other benefits included in the large money judgment here awarded at their expense.

The benefit which has resulted from the sale of the new stock to Blair & Co. has increased the market value of the plaintiff's shares of stock from $400 to $700, and has intrinsically increased it in the difference between the former and the present book value of the stock. These benefits or advantages were equally shared by every other stockholder. What, however, the plaintiff in addition claims is the difference between par and $550, the market value of the stock on the day of issue to Blair & Co., which advantage will accrue to no other stockholder but the plaintiff, and which he is to receive at their expense, because, if the judgment is paid by the company, the loss will necessarily fall on the stockholders. Such an inequitable result, which would give the plaintiff an unfair advantage over the other stockholders, should not be permitted unless for cogent reasons or because of some rule of law which makes such a result inevitable.

Recognizing the force of this suggestion, the plaintiff meets it by saying that this contention of lack of equity or justice begs the whole question, because, having, as he claims, an absolute, inherent, vested property right, under the view taken by text writers and sustained by expressions in opinions, there cannot result any inequity from the enforcement of a vested right. The conclusion would undoubtedly follow if the premises were true. As we have endeavored to point out, however, the view to which we incline is, that the stock of a corporation is like any of its other assets, being property which should be held and administered for the equal benefit of all. The only distinction between stock and other property of a corporation grows out of the fact that, in addition to the value attached to stock, there is the element and incident belonging thereto of representation and of voting power and a voice in the affairs and management of the corporation. It is because of this feature attaching to stock, as distinguished from other property of the corporation, that cases without number have held that, with respect to the issue of new stock, an existing stockholder has a primary pre-emptive right as against an outsider to subscribe for this stock at the price at which it is issued by the corporation.

Although the reason for this right is not often expressed, we think that, to a large extent, it is based upon the view taken by those who have considered the subject of preserving to each stockholder his proportionate interest in the capital and surplus made by the increase equal to that held in the former capital of the company. The preservation of this proportionate interest or representation in the company has been deemed of such importance that we find in many States statutes passed for the purpose of preserving it, and so, too, in the charters of many corporations; and in such instances the power of the corporation to issue new stock for more than its par value, or to permit outsiders to subscribe until existing stockholders have refused to take the new stock, is expressly prohibited.

Upon a sale of increased stock—the property of the corporation—there may be as here two interests to be considered: One, of the stockholder, and the other, that of the corporation. Both are secured in case the company receives and the stockholder pays as much for the stock as would be paid by an outsider. But if a single minority stockholder against the view of the majority can obtain stock at par when the company can obtain a greater sum from an outsider which the stockholder is unwilling to give, then the company suffers and a single stockholder at the expense of the majority gains. This is tantamount to saying that the right of a single stockholder to obtain increased stock at par is greater than the rights of the officers and other stockholders, and is greater than the rights of the corporation itself. We do not think that the primary right which he may have to subscribe for the new stock can be extended so as to menace the best interests and welfare of the corporation and its stockholders regarded as a whole. It

cannot be that the rights of a single stockholder when in conflict are paramount to the rights of the corporation itself.

It is to be noted that the proposition of Blair & Co. was conditioned upon its receiving all of the increased stock. Had the plaintiff offered to pay the same price for his proportion, then a situation would have been presented where the interest and primary right of a stockholder to subscribe would be in direct conflict with what the officers and other stockholders regarded as for the best interests of the company. What our decision would be were such a question before us it is unnecessary to say. Not being before us, we do not decide it.

As pointed out, we are not controlled by any statute in this State, nor does the charter of this company forbid it, and we are, therefore, free to apply the rule well expressed by Chief Justice Sterritt, in Morris vs. Stevens (178 Pa. St. 563), wherein he says: "In general, the present holders of stock have a primary right to subscribe in proportion to their holdings for any new issue. The stockholders themselves certainly may determine otherwise and order a sale to the public, and payment of the proceeds into the treasury. But this is exceptional, and the exercise of a reserve power, which should not be permitted unless there is a clear intent of the stockholders to do so."

In the case at bar the intent of the stockholders was made manifest, all, including the plaintiff, who voted, having voted for the increase; and all, excepting the plaintiff and one other small stockholder, having voted to sell the stock at the price offered to Blair & Co. It is contended by the defendant that the plaintiff is estopped from challenging the acts of the other stockholders and officers, because he knew that the purpose and object of the increase was to carry out the arrangement which the officers had made to deliver all of the increased stock to Blair & Co.

In one aspect, reading the notice of the meeting which stated its objects, together with the circular letter explaining the purpose of the officials and directors in recommending the increase, there was in effect but a single object, namely, to increase the stock for the purposes of selling it to Blair & Co. In another aspect, it can be viewed as two separate propositions, one to increase the stock and the other to sell to Blair & Co. It is evident from this record that the proposition to increase the capital would never have been recommended by the officers of the company had it not been coupled with the purpose expressed to the stockholders that, when increased, the new stock should be sold to Blair & Co. There is force in the suggestion that the express assent and acquiescence of the plaintiff, with full knowledge of all the facts, in voting for the increase of the stock, estopped him afterwards from questioning the action of the company in completing the transaction by selling it to Blair & Co. If he deemed the purpose sought of increasing the stock in order to sell to Blair & Co. wrongful, then seemingly, his duty was having the time, knowledge and opportunity, to enjoin the officers from submitting such a proposition to and obtaining the votes of the stockholders therefor. Having, however, in common with his fellow stockholders voted for the increase and all the other stockholders but himself and another having at the same time voted to empower the officers and directors to complete the transaction, we think that acquiescence in the successive steps leading up to the issuance of the stock does not give the plaintiff the same favorable position which he would have occupied in a court of equity if he had, feeling himself aggrieved, attempted to prevent carrying out the project or had he consistently stood against the increase the purpose of which he knew. In referring to the plaintiff's attitude in failing to take such action, we have not overlooked what here appears, that while willing to vote for the increase, the plaintiff by word and letter to the President of the company and to Blair & Co., frequently and insistently claimed the right to a proportionate amount of the increase of stock when it should be issued.

We refrain, however, from deciding this case upon the question of whether or not the plaintiff is estopped, preferring as we do to place our decision upon a broader ground, viz., that, irrespective of our view upon the question not involved, as to whether or not the plaintiff had the primary

right, had he offered to pay the same amount as Blair & Co. to subscribe for his proportionate share of the increased stock, we are of opinion that the primary, pre-emptive inherent right, or by whatever term designated, which the plaintiff had, did not enable him to subscribe at par for any portion of this stock which the trust company could sell for $450 a share to an outsider and which sale was made in good faith, with a view of having the proceeds placed in the treasury of the company and of bringing in a "group of men who could bring large deposits and profitable business to the company," all of which was to redound equally to the benefit and advantage of the corporation and all of its stockholders.

This judgment, we think, should be reversed and a new trial ordered, with costs to the appellant to abide the event.

Van Brunt, P. J., and Hatch, J., concurred; Patterson, J., concurred in result; Loughlin, J., concurred in separate opinion.

SAVINGS BANK DEPOSIT—JOINT OWNERSHIP—RIGHT OF SURVIVOR TO CLAIM.

New York Court of Appeals, December 30, 1904.

DAVID F. AUGSBURY, *as Administrator, etc., vs.* LOREN W. SHURTLIFF.

An instrument executed by a husband and wife, addressed to a Savings bank, in which each had a separate account, requesting that their accounts be merged so as to run to either or to the survivor of them, constitutes an order that their accounts be changed so as to make each the joint owner of the entirety, so that upon the death of one the survivor would become the owner of the whole.

Such an instrument, however, is only executory, until presented to the bank, and the changes are made, and therefore, may be revoked by either party at any time before the order has been complied with by the bank.

Where such an instrument, after execution, is left in the possession of the husband, he is deemed to be the agent of his wife for the purpose of delivering the paper at the bank, and if he fails to do this within her lifetime, his agency is revoked by her death.

This action was brought to recover a Savings bank pass book issued to Sarah Ann Roff in her lifetime by the Jefferson County Savings Bank. The defendant was the administrator with the will annexed of John C. Roof, and claimed the right to hold the pass book as the property of his testator.

John C. Roof and Sarah Ann Roof were husband and wife. They had both been married before, but neither had any children. They both had made deposits in the Jefferson County Savings Bank and a pass book had been issued to each of them. Sarah Ann Roof had a balance upon her book of $911.26, and John C. Roof had a balance upon his book of $900.88. They were about eighty years of age and had each made and executed a will, in which each gave the use of his or her property to the other during life, and upon the death of the survivor each had bequeathed his or her property to collateral relatives. Aften the execution of these wills, and on January 8, 1896, they signed a paper, of which the following is a copy:

To Jefferson County Savings Bank: "Theresa, N. Y., Jan. 8, 1896.

Gentlemen: We, the undersigned, owners of bank books No. 23,661 and No. 25,472 issued by your bank, desire to have the accounts therein merged into an account running to John C. Roof or Sarah Ann Roof or the survivor of them. Our object being that, in case of the death of either, the other may draw the whole amount. John C. Roof.

Sarah Ann Roof.

"Witnesses, Mary E. Countryman, Lizzie Countryman."

Two days after the making of the foregoing instrument Sarah Ann Roof had a stroke of paralysis and was confined to her bed until her death, which occurred ten days later. Some days after the making of the paper John C. Roof took the paper to the Savings bank together with the bank book of his wife, and the teller pasted the paper in the bank book containing signatures and wrote upon the pass book after the name of Sarah Ann Roof the words "and John C. Roof" so that the account read "Jeffer-

son County Savings Bank in account with Sarah Ann Roof and John C. Roof." He also made the same change upon the ledger account. It is claimed on behalf of the plaintiff that the paper was taken to the bank and the changes made in the books after the death of Mrs. Roof, and that prior to her death and after her paralytic stroke she spoke to her husband in monosyllables at repeated intervals indicating that she wanted her own and that he replied to her that he knew what she wanted and that he would get the paper and destroy it, and that the conversation had reference to the above-described paper.

HAIGHT, J.: The first question which we deem it important to consider is the meaning and effect intended to be given by the parties to the paper. As we have seen it is addressed "to the Jefferson County Savings Bank." The respective owners of the bank books which were described in the paper expressed their desire to have their accounts merged so as to run to John C. Roof or Sarah Ann Roof or the survivor of them. They then conclude by stating their object to be "that in the case of the death of either the other may draw the whole amount." There are no words here indicating any present gift from one to the other of any portion of the funds on deposit in the bank. On the contrary, it is apparent that each in his or her lifetime intended to retain the fund so that either could draw upon their deposits as their necessities might require; but it is apparent that they intended that upon the death of either, the other should be permitted to draw the whole amount. The purpose for which the survivor might draw the whole amount is not specified. In the absence of evidence upon the subject the inference might be permissible that it was their intention to give the survivor the right to draw the whole amount so as to make it his or her own property. Assuming this to be so, the effect of the paper was, therefore, a written order addressed to the bank requesting it to change their respective deposits so as to make each the joint owner of the entirety, analogous to a joint tenancy or tenant by the entirety in real estate, so that upon the death of one the survivor became the owner of the whole. (Bertles vs. Nunan, 92 N. Y. 152.)

As we have seen, the paper was an order merely and was executory until it was presented to the bank and the deposits were changed in accordance therewith. It is conceded that it was subsequently taken to the bank by John C. Roof and the changes made so far as the deposit of Mrs. Roof was concerned, but was this change made during her lifetime? Upon this subject considerable evidence was taken and if the fact is material it, doubtless, became a question for the jury to determine. This brings us to a consideration of the question as to whether the order is deemed to be revoked by the death of Mrs. Roof before it was delivered to the bank and the change in the deposits made. The order was executory until its delivery to the bank and the changes in the deposits were made. It, consequently, could be revoked by either party at any time before the order had been complied with. It is contended that Mrs. Roof did revoke by her statements in monosyllables, but these declarations were too vague and uncertain to warrant a finding of fact to that effect. If it was revoked it was by reason of her death before it was delivered to the bank.

The paper, as we have seen, was a mere executory order, which did not constitute an executed gift or make either of the parties thereto a creditor of the other. Mrs. Roof only intended to give to her husband the same right to draw upon their joint account that she had until her death and then if he survived her the right to draw the whole, but before her order had been executed she died and her estate at once became vested in her heirs at law or upon proof of her will in her collateral relatives specified, subject to the life use of her husband. If her husband had become her creditor he could prove his claim as against her estate, but he was not a creditor. If the execution of the paper was a gift in præsenti, then, of course, the money on deposit became his, but it was not such a gift nor so intended, for she retained the right to draw every dollar of the fund and use it for her own purposes. It was not a gift inter vivos, for the reason that, as we have shown, the order was executory and not executed. It was not a gift causa mortis, for the reason that the

parties at the time of executing the paper were not suffering from any disease or apprehensive of death from any impending perils. The paper, as we have seen, was left in the possession of John C. Roof. He is deemed, therefore, to have become the agent of his wife to take the paper to the bank, but if he failed to do this within her lifetime his agency, by the happening of that event, is deemed to have been revoked.

Schouler on Personal Property (Vol. 2, § 86) correctly states the rule as we understand it: "An agency is revoked by the principal's death; therefore, the agent of one who intends a gift inter vivos must have performed what was incumbent upon him to make the transfer complete during the donor's lifetime, otherwise the gift fails as though the donor himself had failed to make a seasonable delivery. Nor can a gift inter vivos be sustained which contemplates a postponement of delivery by the agent or trustee until the donor's decease, for a gift of personalty made after this fashion must stand, if at all, as a gift causa mortis, or else on the footing of a testamentary disposition, with all the formalities of a will. Delivery, then, in all cases of ordinary gift must have been made during the donor's lifetime. But if the gift has been once completed, so as to fully transfer the beneficial interest from donor to donee, in accordance with their mutual intent, and so as to make any third party holding the custody, the trustee for carrying out the original purposes of the donation, or the donee's agent, the subsequent death of the donor, sooner or later, will leave the gift unimpaired." (Story on Agency, § 488; Farmers' L. & T. Co. vs. Wilson, 139 N. Y. 284, 289.)

We conclude that the question as to whether the order was delivered to the Savings bank during the lifetime of Mrs. Roof is material, and under the evidence the question as to whether it was so delivered was for the jury and that the exception taken by the appellant to the nonsuit raises an error of law which requires a reversal of the judgment.

The judgment should be reversed and a new trial granted, with costs to abide the event.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B.A., LL.B., Barrister, Toronto.]

COUNTERMANDED CHECK—FAILURE OF CONSIDERATION—BANKER CHARGING BACK TO CUSTOMER—RECOURSE OF A HOLDER IN DUE COURSE.

GARAND VS. LAMARRE (Quebec Reports, Vol. 25, p. 380).

STATEMENT OF FACTS: The plaintiffs were a firm of private bankers who sued to recover from the defendants the amount of a check signed by them drawn upon the Bank of Hochelaga and payable to the order of J. M. Dorion.

Dorion had sold to the defendants a certain quantity of hay, and the defendants had sent their check in payment to him before the delivery of the hay. Dorion was a customer of the plaintiff firm and indorsed the check and deposited it to the credit of his account with them. Meantime the hay had been delivered to the defendants, and not being up to quality they immediately countermanded the payment of the check by a notice to the Bank of Hochelaga. When the check was presented it was returned to the plaintiff firm unpaid, who immediately charged it back to the account of Dorion. When the check was thus charged back Dorion had not sufficient funds at his credit to pay the amount of the check and the plaintiffs therefore brought action on it against the defendants, who contended against liability on the ground that there was no consideration for the check and that the plaintiffs were not the holders of it.

JUDGMENT (Champagne, *J.*): By charging the check back to Dorion the plaintiff firm ceased to be the owners or holders of it and it became again the property of Dorion, who alone had the right to demand payment from or bring action upon it against the defendants. The action is therefore dismissed with costs.

PROMISSORY NOTE—SIGNATURE OF MAKER OBTAINED BY FALSE REPRESENTATIONS—RIGHTS OF HOLDER IN DUE COURSE WITHOUT NOTICE—BILLS OF EXCHANGE ACT, 1890, SECS. 29-38.

ALLOWAY vs. HRABI (The Manitoba Reports, vol. 14, p. 627).

STATEMENT OF FACTS: The plaintiffs were bankers, and sued to recover the amount of three several promissory notes for $125, each bearing interest at eight per centum per annum, dated January 1, 1903, due January 18, 1904, and purporting to be made by Thomas Hrabi, Albert Nejedle, Frank Hrabi and Joseph Hrabi. Of these persons only the three first named were sued.

The notes were all payable to The Winnipeg Trading Company, and the plaintiffs claimed that the notes were all endorsed to them for value before maturity. The defendants contended that they were the victims of a fraud designed by the manager of the payee company, who had entered into an agreement with them to obtain the homestead entries of their farms in consideration of $125 from each of them, and that the documents signed by them were represented to them to be the petition for the homestead entries. The further material facts are set out in the judgment.

JUDGMENT (Perdue, J.): To prove the making of the notes sued on the plaintiffs relied on the evidence of one Thomas H. Corregan. All the parties whose names are on the notes as makers are Bohemians, none of whom can read English. Frank Hrabi can speak a little English, but only such as would be used on the farm. The other two cannot speak or understand English and cannot write. Their signatures are written by Corregan with the usual X mark and are not witnessed.

It appeared that the three defendants desired to obtain homestead entries for the lands on which they were residing. These lands were parts of a section not available for homesteads. The quarter section for which Frank Hrabi was applying had been transferred as swamp land to the Government of Manitoba.

According to Corregan's story the defendants spoke to him about the middle of December, 1902, and asked him to assist them in obtaining entries. He agreed to obtain letters from the Government, stating that they were entitled to entries and in consideration of this he says they agreed to pay each the sum of $125. A number of other Bohemian settlers in the same district were in the same position and Corregan states that he made agreements with them also to procure entries for them, these settlers agreeing to pay him sums aggregating more than $2,500.

Corregan was the manager of The Winnipeg Trading Company, his mother then being the owner of the business carried on under that name, which now is owned by his wife.

Corregan states that on January 1, 1903, the defendants came to the company's store and signed and swore to affidavits prepared by him in connection with their applications for homesteads. At that time, according to him, the four persons above named signed three promissory notes payable on demand for $125 each. In March following the same four persons came to the store and gave the notes sued on to take up the demand notes, and on the 26th he negotiated these and other notes to the amount of $2,686 to the plaintiffs as collateral security for an advance of $1,000. The demand notes were not given up to the defendants and were produced at the trial from the possession of Corregan.

After the plaintiffs had made the loan they sent out notices to the makers of the several notes that they were held by the plaintiffs and that payment was to be made to them. The defendants and others whose names were on the notes promptly repudiated them and through their solicitor notified the plaintiffs that they were not aware of having signed any notes and they disputed their liability.

The defendants admit in their evidence that they agreed to give Corregan $125 each if he would obtain their homestead entries for them, the amount to be paid in cordwood delivered in one, two and three winters. On January 1 the three defendants were present together when the papers were signed. Joseph Hrabi was not present on that occasion, but came in the next day and

signed the papers as witness as he supposed. All the defendants believed that the papers they were signing were simply petitions for homestead entries.

In my view the defendants did not on January 1, 1903, know that they were signing promissory notes when the demand notes of that date were signed. They intended to pay Corregan, if he succeeded for them, in cord-wood to be delivered as previously stated. They did not intend to become immediately liable for this amount or to pay before the services were performed; much less did they intend that each should be liable for the other as well as for himself.

Frank and Joseph Hrabi say that after January 1, 1903, they signed a paper at Corregan's office which he told them was a petition for a road and that that paper was the only one they signed after January 1. The other two defendants say that they signed no paper for Corregan after January 1, and the Hrabis state that the others were not with them in March when they signed the second paper.

Upon the evidence as given I must find that Thomas Hrabi and Albert Nejedle have not been proved to have signed the promissory notes upon which this action is brought.

There is much mystery as to how the names of the other two, Frank and Joseph Hrabi, came to be put on the notes sued on. They are positive that they signed only a petition for a road in March, and yet Corregan says the notes were signed in March; the Hrabis believe the signatures on the notes were made by themselves from their appearance. If the notes sued on were actually signed by Frank Hrabi he signed them without knowing they were promissory notes and in ignorance of the contents and meaning of the documents, and under the belief that they were something else. There was no negligence upon his part. He could not read English and would, under the circumstances, sign what Corregan told him to sign, believing it related to the land or the road.

Counsel for the plaintiffs claimed that they were holders of the notes in due course and that fraud in the making or obtaining of the notes would not as against them afford a defence.

Section 29 of the Bills of Exchange Act, 1892, defines a holder in due course as one who has taken a bill complete and regular on the face of it under the following conditions: "(a) That he became the holder of it before it was overdue and without notice that it had been previously dishonored, if such was the fact; (b) That he took the bill in good faith and for value and that at the time the bill was negotiated to him he had no notice of any defect in the title of the person who negotiated it."

By section 38, sub-section (b), where the holder is a holder in due course, "he holds the bill free from any defect of title of prior parties as well as from mere personal defences available to prior parties among themselves, and may enforce payment against all parties liable on the bill."

Prior to the coming into force of the Bills of Exchange Act, it was well settled law that if the signature of the maker of a note was obtained upon the representation that it was a completely different document he was signing, and if he signed it without knowing it was a note he was signing, and under the belief that he was signing something else, and if he was not guilty of any negligence in so signing the paper, he would not be liable even to a holder of the note who acquired it during its currency for value without notice of the fraud. (Foster vs. McKinnon.)

Byles, J., said in giving judgment in that case: "The mind of the signer did not accompany the signature, he never intended to sign, and therefore in contemplation of law never did sign the contract to which his name is appended."

A similar view of the law prevailed in the United States. Where a German unable to read or write the English language was induced to sign a note on the fraudulent representation that it was a contract of agency respecting a patent machine, he was protected against a bona fide holder, on the ground that he had no intention of signing a note and was guilty of no negligence in affixing his signature.

The plaintiffs' counsel argued in the present case that, since the coming

into force of the Bills of Exchange Act, the rule laid down in Foster vs. McKinnon was no longer to be followed, and that a holder in due course was not affected by the fraud of any other party in procuring the maker's signature to the note. That case was decided before the Imperial Bills of Exchange Act came into force. The provisions in our act above referred to are in the same words as the corresponding ones in the imperial act. Since the coming into force of the imperial act this question was raised before Lord Russell, C. J., in Lewis vs. Clay, decided in 1897. In that case a young man of little business experience was induced to sign two promissory notes of large amounts on the representation and under the belief that he was witnessing the signature of a friend. Lord Russell held that the mind of the defendant never went with such a transaction as signing the notes in question, and that the use to which his signature was applied was in substance and effect a forgery. He held that Foster vs. McKinnon was still binding, and that the law as there laid down has not been altered by the Bills of Exchange Act.

I therefore follow the decisions in Foster vs. McKinnon and Lewis vs. Clay, and enter a verdict for all the defendants, with costs of suit.

PROMISSORY NOTE—LOSS OF NOTE—RECOURSE OF HOLDER—INDEMNITY TO BE GIVEN BY PLAINTIFF—ADMISSION OF DEFENDANT—DIVISIBILITY.

Tessier vs. Caille (Quebec Reports, Vol. 25, p. 207).

1. Where, in an action on a loan, the defendant admits the loan but alleges that he gave a promissory note for the amount, and this admission constitutes the sole proof of the loan, it cannot be divided.
2. A person who, on making a loan of money, receives a promissory note for the amount, cannot maintain an action upon the loan in the event of its being lost, without proving the loss, and obtaining an order that its loss shall not be pleaded by the defendant upon plaintiff giving security to the satisfaction of the court or judge against the claim of any other person upon the note.
3. Although the defendant is entitled, in the absence of compliance with the above conditions, to ask for the dismissal of an action, brought simply for the recovery of the loan, yet where he has declared his readiness to pay on proof of loss being made, and indemnity given, the Court, in order to avoid further litigation, may treat the case as an action on a lost note, and give judgment for the plaintiff on condition that security be given—the defendant's costs in such case to be paid by the plaintiff.

Statement of Facts: The facts of this case appear sufficiently from the judgment of Mr. Justice Doherty in appeal. The trial judge had directed judgment to be entered in favor of the plaintiff and an appeal was taken from this to the Superior Court, whose judgment was delivered by Mr. Justice Doherty.

Judgment: The plaintiff's action, as amended, is to recover $140 and interest. He claims this sum as balance of a loan of $340 made in 1893 and 1894, on which defendant paid $200 in 1898.

The defendant pleads, admitting the loan and the payment on account, but setting up that in 1897 he gave a note for the balance of the loan, $140. That balance, he says, he has always been and is willing to pay, but that plaintiff cannot have him condemned to pay it, until he produces the note, or proves its loss and gives defendant security against his being ever called on to pay it. He concludes for dismissal of the action.

The judgment found the existence or giving of the note alleged not proved, rejected defendant's plea, and condemned him to pay $150.43 for capital and interest at four per cent., till action brought, and interest at six per cent. on said interest from date of action.

The only proof plaintiff has of the loan by him alleged is to be found in the admissions of defendant in his plea, and depositions. The parties seem to have treated these admissions as leaving upon defendant's shoulders the burden of proving that the note alleged by him was given. Defendant proceeded to make parol evidence of that fact, and, if parol evidence of it be

admissible, we all think he succeeded in proving it. Plaintiff strenuously contends that such evidence is not admissible. We do not deem it necessary to determine this question.

As has been said, the plaintiff has no proof of the loan he alleges, but defendant's admissions. He must, therefore, take them as a whole. So taken defendant admits the loan, but adds that he gave the note in question which, however, was for the total amount of the loan, $340, not merely the balance as stated in the plea. Plaintiff cannot avail himself of the first portion, which is favorable to him, and reject the other.

We think, therefore, that the only proof plaintiff has establishes both the loan and the giving of the note—and that until plaintiff made some other proof of the alleged loan, or established some circumstance entitling him to divide the admission, which he has not done, defendant had no proof to make. We may add that defendant's evidence so strongly impresses us with his perfect veracity and honesty that it would be with great regret that we should find ourselves compelled, by dividing his statements, to condemn him.

We are, in consequence, unanimously of opinion that defendant's pretension that he should not be condemned to pay until production of the note, or until he be given security against further responsibility on the note, is well-founded. It is true that it is not expressly stated by any witness that the note was negotiable. But they all speak of it as a note, and bills and notes being under the Bills of Exchange Act are negotiable save when they contain words excluding negotiability, we think we should assume this note to come within the general rule, and in the absence of proof to that effect, that we should not assume it included such words.

But does its so being well-founded entitle him to a judgment dismissing plaintiff's action? Strictly speaking, I think it would. Plaintiff's action is not upon the lost note. It is on the original loan. While the giving of the note did not operate as a novation of the original indebtedness, I think it at least entitled defendant to claim that before, or concurrently with, the exercise of any right of action based upon the original cause of indebtedness, plaintiff should return to him the note given. The latter does not do so, nor does he set up that the note is lost and offer indemnity. He denies there ever was one. Plaintiff accepting defendant's admission of the loan as his proof, and being, as has been said, bound to accept with the qualifying addition as to the note, it is proved there was one. Not alleging its loss, plaintiff could not well be allowed to prove it was lost—and even if he could, his proof on the subject is not very satisfactory. It consists of his own oath that he never saw it. In this state of the record, I think a judgment dismissing the action, leaving plaintiff to take his proper recourse, would be justified.

But as defendant by his plea expresses his willingness to pay the amount of the note, and sets up that he cannot be condemned until its loss is proved and security given him, we are all agreed in considering that we are justified in treating the action as upon the lost note, and giving the judgment which, in view of the facts proven, should be given on such an acton, thus putting an end to litigation upon the subject between the parties.

So treating the action, the rights of the parties are governed by article 69 of the Bills of Exchange Act, which provides that: "In an action or proceeding upon a bill, the court or judge may order that the loss of the instrument shall not be set up, provided an indemnity is given to the satisfaction of the court or judge against the claims of any other persons upon the instrument in question."

It would appear that at common law the loss of the instrument might be set up, and that no action could be maintained either on the lost instrument, or on the consideration for it. Under the Statute 54-55 Vict., c. 17, sect. 8, the rules of the common law of England, save in so far as they are inconsistent with the express provisions of the Bills of Exchange Act, are to be held to have applied from the coming into force of that act to bills of exchange, promissory notes and checks.

Applying these rules, as modified by section above cited of the Bills of Exchange Act, the result appears to be that upon a lost note the holder has in principle no action, but under the disposition of the statute he may obtain

an order that the loss be not set up or pleaded, provided indemnity be given as therein provided. The section, therefore, does not provide a remedy for the maker of the note or person sued, entitling him to ask for security. Without the section, he has in the loss an absolute defence to the demand. It provides a remedy for the person who held but has lost the note, and whose action without the remedy so provided could not be maintained.

It is, therefore, on him to avail himself of the remedy, and obtain the order after compliance with the condition imposed; namely, after giving indemnity or security. Until he does so he has no maintainable action against the maker.

In England, under the disposition in precisely similar terms of the Common Law Procedure Act, 1854, it has been held that unless indemnity be tendered before action brought, the plaintiff would certainly not obtain relief on such terms as to give him the costs of the suit. In that case the plaintiff, after pleas by defendant of loss of the note, applied for an order to strike out said pleas on an indemnity being given. It was held that he could only obtain that order subject to his paying all defendant's costs incurred up to his, plaintiff's, application for it. The order there given was that all proceedings should be stayed on defendant's, within two days after taxation of defendant's costs, paying the amount of the debt less those costs, upon receiving personal indemnity from the plaintiffs against the claims of other persons on the bill; and if the defendants did not then pay, the plaintiffs should be at liberty to sign judgment for the balance of the debt.

A substantially similar order was made under the similar disposition of the Common Law Procedure Act in Ontario.

This, it seems to us, is the relief to which plaintiff would have been entitled had he set up the lost note in his declaration, or, in his answer to plea, admitted its existence and alleged its loss, and in either case asked for such relief—he being liable in either case to pay such costs as defendant might have incurred up to his so asking.

Here he has not asked the relief at all. We are certainly stretching a point in granting it to him at all. But he cannot complain of our doing so, and defendant, as has been said, by his plea, in effect, in advance consents to such order being given.

The judgment a quo is in consequence reversed, plaintiff is condemned to pay defendant's costs in the court of the first instance and this court; and defendant is condemned to pay to plaintiff, after indemnity or security having been given as by law required against the claim of any other person on the note aforesaid, the sum of $150.43, with interest on $140 at 4 per cent. per annum from March 4, 1901, delay for execution to run only from the giving of such indemnity.

We do not think that we should, by reason of the rights of the attorneys declare compensation between the costs plaintiff is condemned to pay and the amount of the note.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

Editor Bankers' Magazine: Traer, Iowa, Jan. 26, 1905.

Sir: A executes a chattel mortgage in favor of "The First National Bank" which is acknowledged before B, who is Assistant Cashier of said bank and a Notary Public, but not a stockholder, or otherwise interested in said bank, except as an employee. Is this acknowledgment good and can you refer me to a case where it has been tested. SUBSCRIBER.

Answer.—It has been held in a number of cases that a notary who is an officer of a bank may legally protest paper belonging to the bank. (Nelson vs. First Nat. Bank, 69 Fed. Rep. 798; Dykman vs. Northridge, 1 App. Div.

(N. Y.) 26; Moreland's Assignee vs. Citizens' Savings Bank (Ky.) 30 S. W. Rep. 19.) The same rule would seem to apply to the acknowledgment of a chattel mortgage made to the bank.

Editor Bankers' Magazine: Detroit, Mich., Jan. 16, 1905.

Sir: In the December, 1904, number of The Bankers' Magazine, under the heading, "Replies to Law and Banking Questions," on page 918, I find your reply to the inquiry of a "Cashier" in Lansing, Mich., relative to whether the bank with which he is connected would be safe in paying on the check of a wife, after the death of her husband, funds standing to the credit of an account which had been opened in their names jointly under an agreement that the funds might be drawn by either before or after the death of the other.

I call your attention to the decision in the case of Burns vs. Burns, handed down by the Supreme Court of Michigan on March 23, 1903. In that case, the wife of Michael Burns withdrew the whole of the joint deposit during the sickness of her husband, five months prior to his death, and was compelled by the court to return the amount to the administrator of his estate. Under the terms of the will of Michael Burns, which was made May 17, 1899, Ann Burns, his wife, was given only a life interest in his estate. Some time thereafter, the account of Michael Burns was made a joint account by adding thereto the name of Ann Burns. Two witnesses testified that it was the intention of Burns that his wife should have the money in bank which stood in their names jointly.

If the administrator of Michael Burns' estate could have recovered from Ann Burns the amount withdrawn from the joint account could the bank have been liable, inasmuch as the deposit was withdrawn five months prior to the death of Burns? As it was not necessary that this question should be ruled upon by the court it is left unsettled, consequently the matter of the liability of a bank, under like circumstances, is still somewhat in doubt.

The latter question has caused considerable uncertainty since the decision mentioned was rendered. We have come to the conclusion that the only safe course to pursue in Michigan, in the matter of joint deposits, is to refuse to pay out funds from a joint deposit after the death of either of the persons in whose name it stands, until such time as the survivor has obtained letters of administration from the probate court. We also refuse to permit the wife to withdraw large sums from a joint account on her own signature. CASHIER.

Answer.—We think the case of Burns vs. Burns differs very materially from the case stated in the inquiry made by the "Cashier" in Lansing. In the Burns case, there was simply the verbal order of Michael "to put her (the wife's) name on the book opposite his name, corresponding to his number, so that she would have the right to draw from the account." That case, therefore, turned upon the question whether there was a completed gift inter vivos, and the court so treated it, and held that there was no proof from which such a gift could be inferred. But in the case stated in the "Cashier's" inquiry, the account is opened in the name of both husband and wife, as "joint owners, payable to the order of either before or after the death of the other." This, by its terms, creates a joint ownership, and hence, upon the death of the husband, the wife, as survivor, would take the whole. The distinction between the two cases is shown by the decision in Farrelly vs. Emigrant Industrial Savings Bank (92 App. Div. [N. Y] 529). In that case, one Margaret Smith, who had opened an account in her own name, subsequently procured the pass book to be changed so as to read "in account with Margaret Smith or son, Frank J.," and a short time prior to her death she gave the pass book to her sister with directions to keep the same for her son, whose whereabouts were then unknown, and if he should come back, to give it to him. The court held that the son was entitled to the money, and in the course of the opinion said: "The plaintiff seeks to sustain his right to the fund upon the theory of a gift inter vivos from Margaret Smith Reilly, the mother, to the son, Frank J. Smith. The court below held, and it may be that the evidence was insufficient to support the action upon the theory of a gift inter vivos. (Mack vs. Mechanics and Farmers' Savings Bank, 50 Hun, 477.)

There is some authority for holding that the change in the form of deposit, by which the son was enabled to draw equally with the mother, is evidence of an intent upon the part of the mother to constitute the son a joint owner with her in the fund. Whether the deposit standing alone, disassociated from any other fact, would have such effect, it is not neces-

sary for us now to determine, and we express no opinion thereon. Taking into consideration, however, the form of the deposit, the delivery of the book with directions to deliver to the son, it would clearly authorize the court to find that it was the intention upon the part of the mother to vest in the son a joint ownership with her of the money, and being vested with such ownership, the survivor would take the whole."

Now, in the case stated by "Cashier," the question whether a joint ownership was intended is not left to inference, as in the Farrelly case; but the intention to make the wife a joint owner is expressly declared.

The case also differs from the Burns case in that there is an express declaration that the money is payable to the wife after the death of the husband. The right of the wife can be sustained therefore upon the theory that there was a gift to her, if she should survive him; and in this respect the case is like McElroy vs. National Savings Bank, (8 App. Div. [N. Y.] 192). In that case the account stood in the name of "Alida P. Bell or James C. Bell, her husband, or the survivor of them;" and the court held that this imported a gift to the wife in the event that she should survive her husband, and that a delivery of the pass book to her was not necessary to perfect such a gift.

In Matter of Meehan (59 App. Div. [N. Y.] 156) there was evidence of declarations of the deceased husband that certain moneys on deposit in a Savings bank were to belong to his widow after his death, and that the deposits were made so she might obtain them without "any trouble at all." The court said: "The rule is that such transactions show the intent of the husband to give the moneys to the wife if she survived him, and upon her survival, her title thereto is absolute."

As stated by the court in its opinion, the Burns case is very like the case of Brown vs. Brown (23 Barb. 565), in which the Supreme Court of New York dealt with a similar state of facts, and held that the facts did not make out a gift inter vivos. But in that case, as in the Burns case, there was no evidence from which an intention to create a right in the event of survivorship could be inferred. The later New York cases above cited are not in conflict with anything decided in the early case of Brown vs. Brown, nor with anything decided in Burns vs. Burns; and the case stated by "Cashier" seems to be clearly distinguishable from these last-mentioned cases and within the rules of the Farrelly, McElroy and Meehan cases.

The rule that if the effect is to create a joint ownership in the fund, the wife will take as survivor, is recognized by the New York Court of Appeals in the case of Augsbury vs. Shurtliff (180 N. Y. 138) reported in this number.

Odd Way of Paying a Depositor.—J. Spencer Phillips, President of the London Institute of Bankers, in his inaugural address, touched on the subject of bank reserves. In the course of his remarks he said: "After the Baring crisis the banks were severely lectured by the then Chancellor of the Exchequer—Mr. Goschen—on the inadequacy of their reserves, and justly so, too; but I may remark, in passing, that far and away the greatest sinner is the Government itself, who, in respect to the Savings bank deposits, are the biggest bankers in the country, and keep scarcely one single sovereign against nearly £200,000,000 of deposits. I have known a case of withdrawal of some £30 from the post office, when they have come to one of our branches to lend them the money, and we have had to telegraph to London for authority to do so. What would be the result of our treating one of our own depositors in this way, I need not ask."

The Bankers' Magazine.—F. B. Dietrick, of Waterloo, Iowa, writes under date of January 14: "I miss your January issue. I enjoyed your publication for 1904; there are so many good things in it—articles that I would not miss for several times your subscription price. I shall be pleased therefore to have you send me your Magazine for 1905, commencing with the January number."

IS GREAT BRITAIN DECADENT?

Some years ago a British statesman characterized certain of the old-world nations as in a dying or decadent position, and if the views of a recent writer are to be accepted the United Kingdom is in a fair way to join the procession of nations whose march is toward obliteration.

In a book entitled "British Economics in 1904," Mr. W. R. Lawson, a member of the London Stock Exchange, and a well-known and voluminous writer on financial and general economic topics, seeks to show—or, perhaps, it should be said does show—that if appearances are to be trusted Great Britain is going down hill.

It ought to be said, at the outset, that Mr. Lawson is not a mere grumbler. He patiently examines the signs of decay, and his arraignment of present tendencies is certainly not without apparent warrant. But it may be that the changes in the economic condition of the British Isles do not have to outsiders quite the sinister aspect ascribed to them by one who views them at close range.

It will be interesting and no doubt profitable to examine Mr. Lawson's chief specifications.

First, he finds that while the responsibilities of empire call for statesmanship of the highest order, and that while there never was a finer opportunity or greater scope for the kind of statesmanship that produces capable citizens, never was there less appearance of such statesmanship. Neither the people nor their political leaders seem to have a definite idea what capable citizenship is or how it is to be secured.

This is not a new complaint, nor one confined to Great Britain. Leaving out our strenuous President and a few others, the statesmen of the present day seem small compared with those of other epochs in the history of the United States. It may be well, however, in making these comparisons to allow something for the universal tendency to magnify the qualities of those who belonged to past generations. "A statesman," said the late Thomas B. Reed, "is a successful politician who is dead."

Mr. Lawson finds that in Great Britain millionaires have become plentiful; the prosperity enjoyed—on paper—is unprecedented; workmen get more and spend more. But it can not be so confidently stated that the people are as industrious, efficient and well disciplined as they were. It has been alleged that the country's industrial equipment is out of date, commercial methods behind the time, the railways an incubus on trade instead of a help to it, and the British Legislature itself the most helpless anomaly of all. These are serious charges, worthy of the careful study of an impartial student.

Industrialism is Mr. Lawson's religion. In the gospel of industry, he says, for its own sake more than for the sake of its products, in the joy of good work honestly done and into which the worker puts the best that is in him, lies the secret of the only education that a man can carry through life with him. At the present time, it is said, there are two economic issues before the world. One is eating, the other is earning. The English workman of to-day eats more, plays more, and works less than he did sixty years ago.

Now, on the surface, this would seem to be, from the workman's point of view, a gradual approximation toward the ideal. It was Mr. Reed, who has already been quoted, who once declared that it was only when a man received a maximum compensation for a minimum amount of effort that he felt that he had at last reached that position to which he was justly entitled. There is, of course, something to be said on the other side.

Adam Smith is cited as having exploded the sophistry that clearing-house returns, Savings bank deposits and income tax assessments are proofs of national wealth. He perceived the difference between substantial values and

paper values expressed in money, and in doing so avoided the most mischievous economic fallacy of our age—the confusion of private riches with national wealth. It is pointed out that the two are absolutely and irreconcilably different. A poor country may be overrun with millionaires, and a country which has none may enjoy solid and widely distributed well-being, which is far better.

While it is admitted that the real wealth of Great Britain has increased tremendously in the past century and a half, it is contended that for every pound of actual value added to the national assets they have been written up by at least another fifty pounds.

Much emphasis is laid on the declining ratio of industrial population. In England and Wales the percentage of producers to the total population has declined from 49.5 in 1851 to 44 per cent. in 1901. That the producing class of the population should in times like these be contracting, is declared to be a paradox. Seven million males added to the population since 1851 have produced only 4¼ million workers, while fully 6½ million more females brought into the world have furnished little more than a million workers.

It is possible that the wonderful revolution wrought by machinery is not sufficiently taken into account. If the output of the smaller percentage of workers is now much greater than it was in 1851, and it can hardly be otherwise, the loss in the ratio of workers is not worth worrying about, but on the contrary may be an evidence of progress. Mr. Lawson says that our grandfathers lived hard, frugal lives, and while their resources were comparatively small, they were under full control. Everything nowadays is more pretentious and on a grander scale, but not more solid and secure. The finances, foreign trade, home industry, the labor market, education, and the condition of the people as a whole, all fail to command public confidence. These are serious indictments, and of course only one familiar with the facts could challenge them.

It is pointed out that in the half century from 1851 to 1901 the industries classified as primarily productive—agriculture, mining and manufacturing—have fallen from thirty-four to sixteen per cent., and secondary or adaptive industries—transportation, building, feeding, clothing, etc.—from twenty-seven to twenty-two per cent. The distributing service has more than doubled its proportion of the whole (thirteen per cent. against 6.1 per cent.). Public and professional services have increased their ratio by one-half; but the most significant change is the preponderance assumed by the housing, feeding and clothing services. They have gone up from 28.8 per cent. to 42.2 per cent., and at the present rate of growth the next census may see them up to fifty per cent. Imagine, says Mr. Lawson, the unique condition of our national industry when one-half of all the men, women and children with definite occupations are engaged either in cooking, dressmaking, waiting, shop-keeping or house-building! Perhaps, it might be said with equal reason, imagine the unique and happy condition of a nation where only half the people with definite occupations are compelled to engage in the ruder and more primitive forms of industry while the other half are engaged in gratifying the elegant tastes of a population whose income is sufficient to enable them to pay for such service.

Is Mr. Lawson a hopeless dyspeptic? How otherwise could he deplore the increase in the number of cooks? The more cooks, the more dinners to be eaten. Without cooks and without dinners, how should we live?

"We may live without poetry, music and art;
We may live without conscience and live without heart;
  We may live without friends; we may live without books;
  But civilized man cannot live without cooks.
We may live without books—what is knowledge but grieving?
We may live without hope—what is hope but deceiving?
  We may live without love—what is passion but pining?
  But where is the man that can live without dining?"

Rural Decay and Urban Congestion.

Here a familiar complaint is encountered. People are leaving the farms and flocking into the cities. But this tendency is also partly explained by

the growth in manufacturing and the improvements in methods of farm labor which have greatly increased the productive capacity of the farms.

From 1851 to 1901 the number of agricultural laborers in England and Wales decreased 916,347, contemporaneously with an increase of fourteen and one-half millions in the total population, or a reduction of two-thirds in the proportion of agricultural laborers to total population. In 1851 the percentage of agricultural laborers to the total population was 11.2, and in 1901 the percentage had declined to 3.5. Agriculture, it is pointed out, is food-growing in the most essential and distinctive sense of the term. It is the most fundamental of all industries—the only one that is completely reproductive. Agriculture is the one self-contained industry in the world. It approaches closest to the source of all natural wealth. Adam Smith is quoted in support of this view, and it is declared that from his statement of the matter it might be inferred that the fundamental distinction he drew between the prime commodity of all food and the secondary commodities which it renders possible, would be realized with proportionate vividness. But exactly the reverse is seen. The raising of food from his own soil by native labor is about the last thing that the average Englishman thinks of nowadays. He has discovered a new standard of national prosperity—cheapness. So intent is he on buying in the cheapest market that he puts himself up to tender before all the world. Whoever will feed him, clothe him, house him, entertain him, and bury him at the lowest rate will be sure of the job. The result is that the Englishman of to-day eats foreign bread and meat, drinks foreign wine and beer, dresses in foreign raiment, doses himself with foreign drugs, copies foreign methods of education without understanding them, employs foreigners to build his electric railways, and bolsters up his money market with foreign bills of exchange. He runs after every imaginable form of paper wealth, and neglects only the substantial wealth which lies at his feet. Millions of bushels of grain, thousands of tons of meat, which he might grow on his own land, are left ungrown because foreign articles of the same kind can be imported a few pounds per ton or a few pence per bushel lower than the native product would cost. The loss of the food which might have been produced at home and of the labor which might have been employed in raising it never seems to trouble him. Nevertheless it is so much absolute and irretrievable loss to the nation. If Adam Smith's argument be correct, that food-growing stands on a higher lever than any other national industry, and that labor employed in food-growing has greater economic value than any other form of labor, then it follows that the ruin which has overtaken British agriculture cannot be fully retrieved by any new industry which may have sprung up in its place. Wherever the nine hundred and odd thousand laborers lost to agriculture may have drifted, their new employment, though it may be better paid in money and better supplied with beer, cannot possibly be as good either for themselves or the country as their original work was. Advanced as the country may be in the industrial arts, primary products are still very few—almost as few as they were half a century ago. The soil, mines, quarries, forests, fisheries are still the only original wealth, and their produce is the foundation of all other forms of wealth. The latter are but manipulations of it, and the money values put on them are mere symbols, which may mean hundreds to-day and thousands to-morrow, and next day hundreds again.

It is declared that the most serious feature of the industrial revolution is that the minds of the people have been diverted by it from substantial wealth to symbolic wealth. Men measure their fortunes by houses, pictures, jewels, stocks, bonds, and a thousand and one other counters which change their value from day to day. For the sake of these they neglect the primitive, rock-bottom industries which not only enrich a country but feed and clothe it. This retrograde of the primary industries has been followed by a rise in the secondary or parasitic forms, which have flourished amazingly. While little trouble is taken to cultivate the soil, new cities are created, ships, docks and railways built, mines exploited, joint-stock companies organized, and other forms of financial conjuring have engrossed attention. The only drawback to these brilliant feats is that they cannot be carried on indefinitely without something more solid to support them. The cleverest financial

conjurer cannot live long on his own illusions; neither can a nation flourish forever on paper values.

The decline in agricultural labor of which Mr. Lawson complains has been in part inevitable. It is due to the competition resulting from the opening up of fresher lands and wider areas, and to the cheapening of railway and ocean transportation, making it possible to bring the products of these new lands to the crowded centres of the old world. What England has experienced in this respect has been duplicated to some extent in this country. Our New England States found that their agricultural lands could not compete with the larger and richer areas of the West, but while this lessened and in some cases destroyed the profits on Eastern agriculture and caused many farms to be abandoned, it is safe to say that on the whole the New England States are more prosperous now than ever before. Manufacturing has increased immensely, and the food which comes from the West can be grown there with a smaller expenditure of capital and labor than would be required in the East, and even with transportation charges added costs less in the end.

Decline in the Standard of Labor.

While the number of work people in the United Kingdom increases steadily year by year, the proportion of skilled laborers among them is declared to be surprisingly small and the proportion of unskilled painfully large. Fear is expressed that the unskilled are multiplying faster than the skilled. But what is considered a more ominous development is the falling off in the percentage of working males to the whole population. In the decade 1891-1901 the decline was over six per cent. During this period the population of England and Wales increased from twenty-nine millions to thirty-two and one-half millions, but the males with definite occupations had increased little more than half a million, and the females only 800,000. The ratio of occupied males to the total at working age had fallen from ninety per cent. to 83.7 per cent.

Mr. Lawson says that three-fourths of the English poor regard labor as the badge of poverty, and three-fourths of the rich, by indiscreet philanthropy, confirm them in that unmanly sentiment. The church, the school, and the legislature itself all set a premium on laziness and improvidence. At the bottom of much of the legislation, preaching, and school teaching lurks the idea that the laborer is a man to be pitied and coddled. The less he works and the more beer he consumes, the more coddling he and his family receive. The British labor situation is at present full of paradoxes. It bristles with ironies and contradictions. The more money people make, and the more they are assessed for income tax, the less they seem to work. The faster the population grows, the smaller the proportion of workers. While the right sort of labor grows more and more scarce, the weedy sort multiplies on all hands. Every winter the problem of the unemployable reappears in a more distracting form, only to be worried over and pushed again into the background unsolved.

Great Britain's Enormous Food Bill.

For over two-thirds of its bread-stuffs and more than half its butcher-meat, Great Britain is now dependent upon foreign and colonial sources. On the eve of the repeal of the corn laws the United Kingdom was virtually self-supporting. It imported only twenty-three million hundred-weight of foreign foods, as compared with 139½ million cwt. in 1873 and 321 million cwt. in 1903. Its food and drink bill payable abroad rose during the same period of sixty-two years from 33½ millions sterling a year in 1840 to 131½ millions in 1873 and 232½ millions in 1903. Concurrently the population increased only sixty-three per cent. Not only are the importations of food increasing enormously, but the home acreage under cultivation has declined. In 1871-75 the acreage of wheat, barley, oats, beans and peas was 11,475,968, and in 1903 only 8,296,197; for the former period the acreage of turnips, potatoes, cabbage and other vegetables was 5,073,773, and in 1903 it had declined to 4,146,727. Two hundred and thirty-two millions sterling a year are being paid for foreign food, while whole parishes at home are running to waste.

The Increase in Taxation.

National and municipal demands of all kinds for the fiscal year 1904-05 will not fall much short of 290 millions sterling. This is about the value of British and Irish produce exported annually, and is many millions more than the value of all the meat, grain and other produce raised in the United Kingdom, and is equivalent to fully thirty-five per cent. of the national debt, and but little short of one-third of the total banking deposits. Such a drain on the country's trading capital is declared to be greater than it can bear without risk of being crippled. Already, it is said, stagnation has overtaken all kinds of financial business. On the Stock Exchange there was never in the memory of the oldest member such widespread depreciation of securities as has been going on during the past two years. A list of 325 principal securities shows a loss of £253,000,000 since the close of the South African war. Within a recent twelvemonth the active capital of the country has lost quite ten per cent. of its effective power, and excessive taxation is given as one of the causes, possibly the main cause. It is confessed that at present it is difficult to bring about any substantial retrenchment in national expenditure, though the creation of local indebtedness may be considerably curtailed.

High Finance in England.

Mr. Lawson regrets that when millionaire philanthropists were giving away fortunes for the promotion of technical education, the most necessitous class of all was overlooked—the joint-stock directors. The opinion is expressed that at the present juncture of British industrial life a well-trained joint-stock director would be worth a whole year's crop of technical experts. Perhaps nine-tenths of these directors have had no education whatever for duties demanding the highest skill and judgment. For every expert among them there are at least a hundred unmitigated amateurs. At last this happy-go-lucky system begins to produce its natural results, and joint-stock finance is threatened with a breakdown bad enough to satisfy the War Office at the opening of a new campaign. To judge from the number of important companies now in a state of crisis or worse, there would seem to be a painful dearth both of conscience and capacity in nearly all grades of joint-stock administration. Shareholders have had one scandal after another sprung on them, until in their wrath they must almost be driven to the conclusion that by a mysterious law of his being the up-to-date company director has to be either a rogue or a fool. The rottenness which has been disclosed by the wrecks of certain companies goes to the very root of the country's joint-stock finance. No community, however wealthy, could long persist in such squandering of its resources without impairing its financial strength and vitality. The most moral people in the world would soon be corrupted to the core if financial practices of that sort were tolerated. The credit of an individual or a class is not all that is being compromised. Far greater harm than that is being done to the finance and commerce of the country as a whole.

While the joint-stock system has grown enormously in scope and bulk in the three-quarters of a century in which it has been on trial, it is declared that neither its intelligence nor its conscience has kept pace with its numerical increase. Honest and capable administration is as rare to-day as when the joint-stock system was in its infancy.

The crying want of modern commerce is for joint-stock directors combining high character and practical experience. How scarce they are may be gathered from the very poor financial results produced by the joint-stock companies, taken all around. Not only do a large proportion of them come to grief, but of those which remain solvent amazingly few ever become strong and healthy. Joint-stock companies have control of at least three-fourths of the capital employed in Great Britain's staple industries, and if the joint-stock companies do not flourish, neither can the nation's staple industries, and if these languish national decadence will follow.

An analysis of the bonds and the preferred and ordinary shares of 1143 companies in the official list of securities of the London Stock Exchange,

made at the end of 1901 in the first instance, and secondly at the end of 1903, shows in both cases that nearly one-half of them were quoted at a discount. If the same average rate of depreciation applied all around as is shown by the 1143 representative companies, the terrific total would be fully nine hundred millions sterling of wasted capital. A considerable portion of this may have been only water originally, but even that would be a shameful slur on the country's joint-stock administration. Too often, however, the public have paid the price of wine, often the price of champagne, for company promoters' gas and water.

On the other hand, the thirty-six thousand existing companies are only a remnant of a much larger number which have finished their career of plunder. Between 1879 and 1900 no less than seventy-four thousand new companies were registered, consequently a bare half of them survive. The aggregate sum of their capitalization was four thousand seven hundred millions sterling—seven times the amount of the national debt.

Industrial securities belong, as it were, to the middle register of joint-stock finance. They occupy the broad zone between banks, insurance companies and home railways, which are supposed to be managed by experts, and mining wild-cats. Industrial companies have not the wildness of the Kaffir circus, nor are they so tame as a well-conducted bank or insurance board, holding an indefinite and ambiguous position between the two. Their organization, Mr. Lawson tells us, is of the crudest and most haphazard sort, nine-tenths of them having no acknowledgable pedigree. The public know little of their origin, and their shareholders least of all. Where their directors come from, how they have been selected and what their qualifications may be, are questions seldom raised. So long as they can pay dividends, or offer plausible excuses for not paying them, they are safe from inconvenient curiosity. To the possible badness of their management there is no limit save the bankruptcy court, and it is a melancholy fact that shareholders often learn more in half an hour from a clear-headed official receiver than all their combined wisdom could have discovered in twenty years.

The British director of the period is characterized as the dodo of joint-stock finance, and the industrial director is the oddest variety of a strange species. He appears to be born, bred and brought up in an atmosphere of mystery, qualified only by half-yearly meetings and occasional revolts of too sorely tried shareholders. He must surely be heaven-born, for he has no traceable earthly origin. No commercial city has a monopoly of his production. No public school or university lays itself out to train him. No organized profession receives him into its bosom and undertakes to be responsible for him. From first to last he is a waif in the community;. often a very clever waif, and admirably fitted for his peculiar work, but to the end of his days he remains a mere accident—a self-made fortuitous trustee for people to whom he is a mere name.

Flagrant examples of all the peculiar evils and abuses that beset joint-stock finance are in evidence almost daily. They are flaunted in the face of the nation wherever shareholders meet. Nor is it petty and insignificant companies only that have given birth to those scandals. Among the wrecks are to be counted concerns with millions of capital, and it is not mushroom upstarts alone that have come to grief. Business which had been handed down from father to son in ever-growing prosperity have had ruin and discredit brought on them by a few years of restless extravagant financing. Of course, in the general chaos the financial charlatan, the plunger, and the market-rigger have all been busy. Every conceivable kind of noxious adventurer has been trying his hand at company management.

It is not suggested that the dishonest and inefficient directors should be held responsible for all these stupendous losses. Two other prominent figures in the financial world have to share the blame with him. The promoter is the original sinner, with his mania for over-capitalization, which the public are just beginning to discover to be bad finance as well as bad morals. And behind him lurks the company solicitor, often the real Mesphistopheles of the drama. Three sets of confederates are needed to "rope in" the investing public thoroughly—promoters, solicitors, and directors—all equally unscrupulous. They have to work into each other's hands in order

to produce a perfect mouse-trap. And it is the solicitor who is the most dangerous, because he does the fine work.

If the present race of joint-stock directors are to be susperseded by better qualified and more reliable men, the existing system must be attacked as a whole. From the promoter to the liquidator everything needs to be overhauled and radically amended. Under the present system good directors cannot be looked for, because those who have the greatest interest in getting them have the smallest voice in their selection. At the outset the promoter has the right of appointment, and naturally he exercises it in his own interest. While he chooses to trouble himself about the company he will have a great deal more influence in its management than any score of shareholders. When he gets tired of it or is fired out, the nominees whom he leaves behind may hold on for years. Unless they laugh too openly in their sleeves, the stolid shareholders will re-elect them every time they are proposed. A directorship of a fairly prosperous company is an old-age pension with a weekly or fortnightly lunch thrown in.

While, then, the first step towards better joint-stock administration is to get rid of the promoter's nominees, it is difficult to see how this can be done without getting rid of the promoter himself in his present irresponsible form. Conceivably there might be company promoters to whom the original selection of directors might be safely intrusted. They would, however, have to be raised to a much higher financial plane, say to the level of a first-class bank or insurance company.

If it be difficult to see how the promoter is to be curbed or reformed, or in some way rendered less harmful, much more so will it be to deal with the company solicitor. He cannot be treated like a financial adventurer or a guinea-pig, for he has the prestige of a learned and honorable profession behind him. Not only does he throw the mantle of his professional respectability over shady promoters and incapable directors, but he is a persistent and powerful obstacle to any genuine reform of the incoherent company laws. What lawyers as a class have done in Parliament and in the courts—on the bench as well as at the bar—to render these laws costly and ineffectual, cannot be fittingly characterized without danger. What they have done in the city as bonnets to the trickiest kind of company promoters, is better left unsaid. It is needless to recall recent examples of the sleek dexterity with which they spread the net of voluntary liquidation when midnight burial becomes imperative, and throw dust in the eyes of the hot-tempered mourners in danger of giving way to their feelings.

It is contended that the courts, influenced by the lawyers, lean in their decisions more to the side of directors and promoters than the shareholders, and it is alleged that in suits to enforce the rights of the public against promoters and directors, the judges have taken much more elastic views of financial morality than a committee of the Stock Exchange or of the London Chamber of Commerce would have done in the same circumstances. Practical students of joint-stock abuses—many of them taught by painful experience—all agree in regarding the legal aspect of the subject as the most hopeless. Reforms that have been attempted, it is declared, have been ineffectual. The Companies Act of 1900 has been stigmatized as a milk-and-water scheme to start with, and any little strength there was in it squeezed out by company solicitors and their friends in committee.

In Germany, when a company is wrecked by its directors, the next thing heard of it is that the managing director has gone to jail. In London, when a similar disaster happens, the next thing heard is that the directors have called a meeting of shareholders and blandly proposed to them to bury the whole concern.

America, it is said, offers a much more congenial soil to the wild cat director, and he flourishes greatly there. Great Britain's specialty is the tame-cat director, sometimes flippantly spoken of as the guinea-pig. Three fine examples of this kind of directors were brought to light at the public inquiry into the failure of the Fulham brewery company. The first director examined admitted that the manager had been too clever for him. The next said he had exercised very little independent judgment, and mainly relied on Mr.———, who had persuaded him to go on the board of the new company

against his will. The third director disarmed criticism by declaring himself an absolute schoolboy in company matters. He had learned more about the company's affairs since they were in the hands of the official receiver than he ever knew before. The capital of the company thus brilliantly directed was fully three-quarters of a million sterling.

Mr. Lawson concludes his arraignment of joint-stock administration as follows:

"What has the maimed and emasculated Companies Act of 1900 done so far to justify the hopes it raised? What can it do towards checking or abating joint-stock company abuses? Are these not more rampart today than ever before, and more cynically flaunted in the face of the world? When did directors ever gamble away their shareholders' money, lie to them, hoodwink them, and defy both them and the law as openly as they are doing now? An anonymous German critic has taunted us lately as being a nation of make-believes, and so we certainly are in many ways, above all in our joint-stock laws and their administration. Three-fourths of the industrial capital of the country is in the keeping of amateur trustees—so-called directors, few of whom have any technical training for their duties or pay more than casual attention to them; many of whom owe their allegiance to other persons than their shareholders and can safely disregard both their rights and their feelings."

Foreign Control of the London Money Market.

London's financial supremacy has been so generally conceded, that it is rather surprising to see it attacked, especially by an Englishman. Mr. Lawson says that London has become proud of the function of gambling in trade bills. He thinks that pride in this employment should be considerably modified by the fact that the large volume of bills drawn on London arises largely from the excess of imports, the United Kingdom being always more or less in debt to all the world for goods bought—chiefly food. The lion's share of foreign trade bills held in London is said to be in the hands of foreign banks and bankers. The large amount of foreign money in use in London, it is said, remains there only so long as London will pay a higher price for it than can be had for its use elsewhere. Despite the supposed superiority of London, Mr. Lawson points out that short time money is cheaper in New York than in the British capital. He disputes the proposition that the prosperity of the United Kingdom depends in a great measure on the maintenance of the position of London as the recognized financial center of the world. Bill-discounting, money-lending, a glut of bills of exchange, high dividends for bank shareholders, are not the only standards of prosperity. The economic condition of the people, the abundance or scarcity of employment, the earnings of the workman, the profits of the employer, and the progressive or stationary character of the community as a whole, are specified as being older and more substantial guides as to a country's prosperity.

As three-fifths of the foreign trade consists of imports, three-fifths of the foreign bills arising out of it must be drawn on Great Britain, and are proofs of debt. While to bankers such bills are available resources, to the nation they may be quite the opposite.

Foreign Trade—the Growing Debit Balance.

Space is not left for reviewing Mr. Lawson's handling of railway problems and many features of foreign trade. Only a phase or two of the latter can be considered.

In order to correct exaggerated ideas of the balance of trade, it should be approached from the side of international finance. Inasmuch as the volume of banking and financial transactions passing between nations is far larger than the volume of commercial transactions. the former must of necessity have greater effect on international balances. There are no data available to show or even to give us the vaguest idea of the aggregate value of banking and bourse securities which are exchanged between nations in the course of a year, though it immensely exceeds the value of the merchandise so exchanged.

In 1823 the foreign trade of the United Kingdom showed a substantial equilibrium, the excess of merchandise imports being only £425,000. Dividing the subsequent eighty years into periods of twenty years each, it is found

that in the first of these periods an adverse balance was developed, which, beginning with less than half a million sterling in 1823 by 1843 had swelled to eighteen millions, increasing to fifty-two millions in the second period, rising to 121 millions in the third period and in the final period mounting up to £182,459,000.

This continually growing adverse balance is regarded as the problem of Great Britain's foreign trade, and is causing concern to thoughtful economists. Analyzing the movements of merchandise, Mr. Lawson concludes that the heavy importations of food are chiefly responsible for this growing adverse balance.

At one time the precious metals were popularly regarded as the mysterious adjusters of foreign trade balances, but that delusion has vanished from business circles. Specie movements are insignificant compared with those of mercantile exports and imports, and the net balances of the specie movements are still more insignificant. In the course of nearly half a century the total movements of the precious metals—that is, imports and exports combined—has never reached one hundred million sterling, less than one-ninth of the annual value of the merchandise imports and exports. The net balance has seldom reached ten millions sterling in any one year, and frequently it has been under one million.

The one item in the foreign trade that has shown a progressive increase, and the progress of which has been sufficient to account for the whole adverse balance, is food. The growing excess of imports is simply and entirely due to the food-supplies Great Britain draws from abroad. As these increase the excess of imports will have to increase along with them—a somewhat appalling prospect.

The Invisible Exports.

Mr. Lawson lastly examines the statements of those who admit the large excess of imports, but show that this excess is paid for by freight charges going to British shipowners, interest and dividends on British capital invested abroad, etc. He says that if the latter items are as large as claimed the British nation is living partly on its ancestors, partly on foreign and colonial tribute, and—to a small extent—on its own earnings. He reasons that the methods employed in computing the so-called invisible exports are such as are almost sure to lead to wrong conclusions. He puts the final touches on a picture already sufficiently gloomy:

> "In its commercial, its banking, and its shipping departments the United Kingdom may be doing well, but as a producer it is the least solvent country in the world. Its own soil no longer supplies a tithe of its many and various requirements. Its mountains of food vanish as it were by magic, and when they are consumed we have no idea how they have been paid for or what is left to represent them. It surely seems unnatural that so much food and raw material should enter the country from abroad and leave so little mark either on its exports or its stock of domestic commodities or the physical condition of the people. That it should resolve itself entirely into paper values and income-tax assessments is disquieting as well as mysterious.
>
> The vital question as to our excess of imports is not how it is paid for, but how it goes on growing year by year at the expense of home producers. Not only does our industrial progress not keep pace with our imports, but there is no longer any visible relationship between the two. The 460 millions sterling of foreign produce which we annually absorb is a threefold enigma. The wisest amongst us are utterly at sea as to what becomes of it: by what earning power of our own it is counterbalanced and how long we may hope to stave off the economic crisis which its steady increase unmistakably foreshadows.
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> The foregoing survey of British economics in 1904 has strongly impressed the writer, and he hopes it will equally impress most of his readers, with a sense of the critical condition into which both the nation and the Empire are drifting. At home we have overcrowded cities growing rapidly into uncontrollable centres of debility and disease; deserted country, less and less cultivated every year; compulsory schools stuffing sickly children with Chinese knowledge and unfitting them for the simplest functions of every-day life; trades-unionized workshops restricting the supply of skilled labor as well as the output of the skilled laborer; solid, old-fashioned industries dying out, and quick money-making, luxury-breeding schemes taking their place; company promoters and mining speculators by the thousand, but intelligent and enterprising capitalists few and far between. What can all these sinister developments end in but an economic crisis?"

Viewed from any standpoint the possible commercial and industrial decadence of Great Britain is of great interest to the people of the United States. Whether Mr. Lawson has taken a more pessimistic view than the conditions warrant can neither be asserted nor denied here. But if the picture he paints is not overdrawn, it is time that serious attention be given to some of the sinister omens pointed out. Such a vigorous presentation of existing economic evils ought to hurry the application of effectual remedies.

By carefully reading what Mr. Lawson has written, and studying attentively also between the lines, the people of the United States may gain some valuable hints.

BANK SUPERVISION IN OHIO.

Editor Bankers' Magazine:

Sir: I take the liberty of taking exception to part of your January editorial. The banking bill presented to the Ohio Legislature last winter was defeated by influences other than that of the State bankers. There was an anonymous, hence cowardly, campaign carried on against the measure, and this together with the indifference of the State bankers to whom its crudities appeared to affect its merits, and the well-known and constantly evidenced antagonism of legislators who on principle oppose everything bankers ask for, combined to defeat it.

With a fairly wide acquaintance among representative State bankers, I do not know one who is opposed to governmental supervision. I know many who are enthusiastically in favor of it. We understand, with all who have examined the matter, that such supervision does not put wisdom into the minds of fools or honesty into the hearts of rascals; is not as efficient as that provided by very well-ordered bank by the appointment of changing examining committees, and does not, apparently, result in reducing the percentage of failures; in other words, that governmental examinations constitute a fancied rather than real protection to depositors and stockholders. I mean, of course, governmental examinations as we know them through the working out of the National banking system. But we are keenly alive to the fact that public confidence makes for earnings, and public confidence is increased by governmental supervision. We, therefore, favor such supervision strongly, and with the mental reservation that it may not amount to much, continue in the hope that its moral effect may be the bracing up of some of the weaker members, and the consequent raising of the general standard. I state, without the slightest fear of successful contradiction, that the State bankers of Ohio, representing at least seventy-five per cent. of the capital employed in the business, will stand as a unit for saner, sounder and safer regulations than those governing National banks, and are anxious to exert their influence in favor of the adoption and enforcement of such regulations.

Examinations can be objected to only by those who wish to follow practices inconsistent with sound banking, and if there are any such among the State bankers of Ohio, the others are just as much interested in having them weeded out as the general public can be.

Another point in the editorial mentioned calls for comment. You state that the practice of accepting personal bonuses for making bank loans is growing among bank officers, and that this should be made unlawful and subject to penalty. I am strongly of the opinion that you err as to the growth of the practice, and think—in fact I know—the contrary to be the case; but in any case your suggestion as to a law on the subject is to be commended highly. There should, by all means, be such a law and the offense should be made criminal, and punishable by some sentence. Such a practice, if it is a practice, is fraught with limitless possibilities for evil and is outright dishonesty of the most degrading and demoralizing type.

BANKER.

Youngstown, Ohio, January 16, 1905.

Reserve for Trust Companies.—The Matthews bill pending in the New York Legislature, provides as follows: "Every bank (or), individual banker or trust company shall at all times have on hand in lawful money of the United States an amount equal to at least 15 per centum of the aggregate amount of its deposits if its principal place of business is located in any city of the State having a population of eight hundred thousand and over; and an amount equal to at least 10 per centum of the aggregate amount of its deposits if its principal place of business is located elsewhere in the State. The amount thus to be kept on hand shall be called its lawful money reserve. One-half of such lawful money reserve may consist of moneys on deposit, subject to call with any bank or trust company in this State having a capital of at least two hundred thousand dollars and approved by the Superintendent of Banks as a depositary of lawful money reserve."

ANNUAL REPORT OF THE SUPERINTENDENT OF BANKS—STATE OF NEW YORK.

BANKING DEPARTMENT,
ALBANY, N. Y., January 2, 1905.

To the Legislature:

A comparison of the last reports of the condition of the institutions under the supervision of the State Banking Department made and filed before the close of the fiscal year (September 30) with the corresponding reports of the year before suggests an appreciable improvement during the past year. In October, 1903, there had been, and was still continuing, a severe shrinkage in the market value of investment securities, and a hesitating, if not distrustful, sentiment prevailed in the financial, industrial and commercial world. Both sentiment and values have since notably improved, which alone measures a gain by no means inconsequential, and the reports of dates nearest to the close of the fiscal year, as made to this Department, reflect such improvement. They show almost uniformly increases in resources and in surplus. The year's gain in resources aggregate more than a hundred and eighty million dollars for all of the institutions subject to the Department's supervision.

DISCOUNT BANKS.

The year was unusually uneventful in respect both to the formation of new banks and to the voluntary closing of existing institutions. The whole number of State discount banks at the close of the fiscal year was one hundred and eighty-six, a net decrease of four during the year. But a single bank was authorized in that period, and, other than the two that failed, only three closed—one by merger, one to give place to a trust company, and one because its business was not profitable. This inactivity is not, however, a continuing one, four State banks having been chartered in the past three months, and a number more being at present in course of organization.

The quarterly reports of the State banks as of September 8, last, showed total resources of $443,487,307. Only once in thirty-eight years had they been as large, and there was then a rebound in the next quarter to figures considerably smaller, while the present showing represents an increase which has been almost continuous for two years, notwithstanding a number of the largest banks formerly in the system have in the meantime gone out of it. The gain in resources during the year was nearly seventy-six million dollars. There was also a healthy growth in the surplus of the banks in the same time, amounting to one and a third millions. The surplus in September stood at $34,087,797 to a capital of $28,070,700, or as 121.4 to 100.

PAYING EXCESSIVE INTEREST ON COMMERCIAL DEPOSITS.

The Superintendent of Banks has but one serious criticism to make upon the conduct in general of the banks in this State, and it will apply equally to trust companies. Fortunately, there are many institutions of both classes which are not amenable to it. Reference is had to the practice of paying excessive rates of interest on commercial deposits. The Superintendent has no power under the law to interfere in such cases unless the business should be carried so far as to threaten unsafety, and this is indeed hard, if not impossible, to determine. But while powerless to prohibit it, he deems it his duty to lose no proper opportunity to protest against it as unprofitable, unwise, and in conflict with sound principles of banking. He does not believe that any banking institution paying the interest that some offer can achieve by legitimate business operations results in the line of building up a proper surplus, and in affording returns to stockholders such as ought to be

expected and realized. The practice tends constantly to influence a bank's management to take risks. There is ever present the feeling that deposits on which interest continues, whether they are invested or idle, and a percentage of which has to be carried in cash as a reserve, must be kept earning, and this view is calculated to cause loans to be made which would otherwise be refused. The payment of interest constitutes a fixed charge, which in some cases is so large that net earnings are of but insignificant proportions. The drain is indisputably weakening, and, with its tendency to lead to a departure from conservatism, may become exhausting and bankrupting. In any case, it is a losing practice, and an unnecessary one besides. Where one bank pursues it, its neighbors are driven to it as well, or at least they resort to it, with the effect that not only no advantage has been gained by any bank over others, but, instead, an unhealthy and damaging competition has arisen. The relative standing of each in the strife for business would be unaltered if all discontinued the practice. It is doubtless too much to expect any single institution in a locality where the practice prevails to quit it, and attempt a reform single-handed. But it would seem that it ought to be a comparatively easy matter for all banks which draw deposits from a common territory to get together, either through the group of the State Bankers' Association to which they are attached, or in a movement organized especially for that purpose, and establish a reasonable maximum rate beyond which all would bind themselves not to go in allowing interest upon money that is in daily employment, and therefore liable to immediate call and frequent and violent fluctuations.

National Banks in the State.

On September 30, 1904, there were 367 National banking associations engaged in business in New York, having an aggregate capital of $143,527,090, a combined surplus and undivided profits amounting to $147,755,764, and total resources of $1,864,545,495. Nine National banks, with an aggregate capital of $950,000, were chartered during the fiscal year, and six were closed—three of them by failure, and three for the purpose of consolidating with other national banking associations.

Savings Banks.

The Savings banks of the State numbered 129 on September 30, two new institutions having been authorized, and none closed, during the year.

The stringent provisions of the laws of New York, limiting the scope of operations by the Savings banks, prohibiting their officers from having any interest therein, and defining every kind of security which they may purchase and hold, so safeguard these institutions that the failure of any of them is extremely improbable, and make all but superfluous the statement that they are continuing to do a magnificent work, and to serve an altogether beneficent purpose. They had on the first of July, 1904, total resources of $1,275,189,167, of which $1,166,091,444 was due depositors and $108,584,097, based upon the market value of securities, was surplus. The gain in resources for six months had been $36,388,699, and for the year $53,764,165. The deposits represent 2,406,660 separate accounts—which would be almost one to every third person in the State's population if no one held more than one account.

Few other States, and certainly no other country in the world, have, I think, so excellent a system of Savings banks, or are able to make so impressive a showing. According to statistics recently compiled and published by the United States Department of Commerce, the total savings deposits in the world aggregate $10,669,885,102, divided into 82,639,841 accounts. The number of Savings bank accounts in the United States is given by the same authority at 7,305,443, and the deposits in the United States at $3,060,178,611. It thus appears, even if we take only the amount due depositors, and not the total resources of the Savings banks in New York in making the comparison, that over eleven per cent. of all of the savings in Savings banks in the entire world, and more than thirty-eight per cent. of the like accumulations in the United States, are held by New York institutions, while of Savings banks accounts this State has almost three per cent. of the whole number for the world, and but a trifle short of a third of the entire number in this

country. Comment can not add to the significance carried by the facts nakedly stated.

Trust Companies.

Eighty trust companies reported to the Banking Department July first, and the number remained unchanged at the close of the fiscal year. During the year the McVickar Realty Trust Company and the Empire State Trust Company consolidated by merger, taking the name Empire Trust Company, and the Continental Trust Company was merged into the New York Security and Trust Company, which is about to change its name to the New York Trust Company; the Eastern Trust Company, having failed to develop a business sufficiently profitable to justify a continuance of it, has closed its doors voluntarily, paying all demands in full, and is now in course of liquidation; and the Queens County Trust Company at Jamaica and the Niagara Falls Trust Company were chartered.

Some of the items of the trust company reports afford interesting and suggestive comparisons. From July first, 1903, to January first, 1904, the total resources of these institutions decreased by over one hundred million dollars, but from the latter date to July first, 1904, they not only recovered all of this loss, but sixty-odd millions besides, and their total assets then stood at $1,208,450,930. The items of earnings, interest paid on deposits, expenses, taxes and dividends for the two years ending July first, 1903, and 1904 are as follows:

	1903.	1904.
Earnings from all sources	$54,575,670	$51,324,439
Interest paid to depositors	23,801,730	24,260,000
Expenses other than taxes	7,536,787	7,754,032
Taxes paid	1,975,225	2,222,955
Dividends paid	10,305,852	9,347,500

The differences which stand out strikingly in the table are the shrinkage last year in gross earnings and in dividends and the increased amount of interest paid on deposits. The falling off in earnings was, I think, mainly due to the fact that in the second period the companies had a great deal less of the very profitable business of financing reorganization schemes for corporations, and that interest rates on loans ranged lower. The single item of interest paid on deposits last year amounted to forty-seven and one-quarter per cent. of the entire earnings of the companies, which was an increase of three and one-half per cent. in a year. Five years ago less than thirty-seven per cent. of the earnings was so paid. Such an increase ought never to have occurred, and constitutes an abuse which demands correction. It militates not only against the trust companies, but also unfavorably affects the banks, since it forces them into the like practice in order to hold their business.

Banking Law Amendments.

The changes made by the Legislature of 1904 in the Banking Law, and in acts particularly affecting or of interest to institutions subject to the supervision of the Banking Department, are thus summarized:

Chapter 479 amends Section 159 of the Banking Law so as to permit a trust company to hold stock in a private corporation to an amount equal to ten per cent. of its own capital, surplus and undivided profits. Theretofore it could hold such stock to the amount of ten per cent. of its own capital only.

Chapter 492 amends Section 156 of the Banking Law so as to prohibit foreign corporations in this State from having or exercising most of the powers conferred by the same section upon domestic trust companies. Such powers not expressly prohibited by this amendment to a foreign corporation are: To lease, hold, purchase and convey real property necessary in the transaction of its business; and to purchase, invest in and sell stocks, bills of exchange, bonds and mortgage, and other securities.

But all foreign corporations are shut out by the amendment in question from acting in this State as fiscal or transfer agent of any State, municipality, body politic or corporation; from receiving deposits of trust moneys, securities and other personal property; from acting as trustee under any mort-

gage or bonds issued by any municipality, body politic or corporation; from accepting and executing trusts for married women, in respect to their separate property, and from being their agent in the management of such property; from acting under the appointment of any court of record as guardian, receiver or trustee of the estate of a minor, and as depository of any moneys paid into court; from taking, accepting and executing any and all such legal trusts, duties and powers in regard to the holding, management and disposition of any estate, real or personal, and the rents and profits thereof, or the sale thereof, as might be granted to a domestic trust company by any court of record, or by any person, corporation, municipality or other authority; from taking, accepting and executing any and all such trusts and powers of whatever nature and description as might be conferred upon or intrusted or committed to a domestic trust company by any person or persons, or any body politic, corporation or other authority, by grant, assignment, transfer, devise, bequest, or otherwise, or which might be intrusted or committed or transferred to a domestic trust company, or vested in it, by order of any court of record, or any surrogate, and from receiving and taking and holding any property or estate, real or personal, which may be the subject of any such trust; from appointment and acceptance of the appointment of executor or administrator of the estate of any deceased person, and from appointment and acting as the committee of the estates of lunatics, idiots, persons of unsound mind and habitual drunkards; and from exercising most of the powers and possessing most of the privileges conferred upon State banks.

Prior to the passage of this act the statutes were silent regarding the right, or lack of right, of foreign trust companies to do business in New York. While provision existed for licensing almost, or quite, every other class of foreign corporations to transact business here, no authority was given to any official to so license foreign trust companies, and yet, there was no express provision of law against their operating here except a prohibition that they should not receive deposits, discount notes or bills, or issue evidences of debt to be loaned or put in circulation as money within this State.

Complementing this important and salutary legislation, section 15 of the General Corporation Law and section 593 of the Penal Code were amended to prohibit the abuse involved in a foreign corporation other than a moneyed corporation maintaining an office in this State if its corporate title contain any word suggestive that it is a moneyed corporation. The second indicated amendment also prohibits to corporations, associations and persons other than moneyed corporations the right to do business in New York under any corporate name with the words "trust," "bank," "banking," "insurance," or kindred words, as a part of such name or title, except that a domestic corporation of the class in question, if already duly authorized by law, having any such words in its corporate title, may continue such use only upon the condition that wherever used they be accompanied, equally conspicuously, by the words "not a moneyed corporation."

The purpose of these several amendments is, manifestly, to prevent a misleading of the public as to the actual character of a corporation, and they are all fully justified, and calculated to prove salutary.

Amendments in 1904 of the Stock Corporation Law which are of interest to institutions under the supervision of the Banking Department provide an alternative method for increasing or reducing capital, or increasing or reducing the number of directors, by permitting such changes to be effected by the unanimous consent of the stockholders, as well as by action of a meeting held upon the statutory notice; and prescribe a convenient and inexpensive method of procedure for the dissolution of corporations which may be abandoned before their capital is paid in, and before business shall have been begun by them.

Chapter 568 amends section 131 of the Banking Law (which prohibits advertisements of unauthorized Savings banks, and the unauthorized soliciting or receiving of deposits as a Savings bank) so as to permit the principal or superintendent of any public school, or any other person designated for that purpose by the proper school authority, to "collect once a week, or from time to time, small amounts of savings from the pupils of said school, the same

to be deposited by said principal or superintendent on the day of collection in some Savings bank in the State to the credit of the respective pupils from whom the money shall be collected, or, if the amount collected at any one time shall be deemed insufficient for the opening of individual accounts, in the names of said principal or superintendent, in trust, and to be by him eventually transferred to the credit of the respective pupils to whom the same belongs. In the meantime, said principal or superintendent shall furnish to the bank a list giving the names, signatures, addresses, ages, places of birth, parents' names, and such other data concerning the respective pupils as the bank may require, and it shall be lawful to use the words 'system of school savings banks,' or 'school savings banks,' in circulars, reports and other printed matter used in connection with the purposes of this law."

The design of this provision is to encourage a system which will inculcate in children the habit of saving and the spirit of thrift; and in a number of communities the plan which it sanctions has been put into effect. It is reported by the press in such places to work satisfactorily, and also to have influenced parents, as well as the children, to open savings bank accounts. One newspaper estimate is that in Greater New York the system has resulted in aggregate savings of at least five million dollars.

Chapter 607 amends section 161 of the Banking Law so as to permit the number of directors of a trust company necessary to form a quorum for the transaction of business to "be fixed by the organization certificate, or by the by-laws; such quorum shall not be less than one-third of such number of directors, and in no case less than seven." Previously there was no provision of law fixing the number of directors necessary to constitute a quorum.

Chapter 693 amends section 130 of the Banking Law so as to place building and mutual savings and loan associations on a plane with Savings banks in requiring that in the case of failure or insolvency of a bank or trust company they shall be entitled to preference as creditors of the failed or insolvent institution. Under a decision of the Supreme Court of the United States, however, this preference would not be effective as to a claim against a National bank.

TOTAL RESOURCES.

The reports to the Banking Department of the several classes of institutions subject to its supervision show, for the dates given, total resources as follows:

Banks of deposit and discount, September 8, 1904....	$443,487,307
Savings banks, July 1, 1904..........................	1,275,189,167
Trust companies, July 1, 1904........................	1,208,450,930
Safe deposit companies, July 1, 1904................	6,991,568
Foreign mortgage companies, January 1, 1904........	4,982,463
Domestic mortgage and security company, January 1, 1904	1,582,413
Building lot associations, January 1, 1904...........	519,256
Securities companies, January 1, 1904................	3,789,712
Building and loan associations......................	43,699,606
	$2,988,602,422
The gain over the previous year is..................	$181,233,853
And since January, 1896, the time I became Superintendent of Banks..............................	1,444,188,147

Note.—The resources of mortgage and security companies, and of building lot associations did not appear in the like table given in reports previous to 1904, and they are not included in the figures of increase since 1896.

NEW BANKS.

The number of State banks doing business at the close of the fiscal year had decreased by four from the corresponding date in 1903. But one bank was organized during that period, the Seaside Bank, at West Hampton Beach, with a capital of $25,000. During the same time, however, the Bank of Mount Vernon, whose business and assets had been taken over by a new trust company, changed its name to the Mount Pleasant Bank, and its location to Pleasantville, and re-engaged in business.

Closed Banks.

Five banks closed during the year, as follows:

Name.	Location.	Date of Closing.	Capital.
*Atlantic Bank	Brooklyn	Oct. 29, 1903	$100,000
†Bank of Staten Island	Stapleton	Dec. 31, 1903	25,000
†The Federal Bank of New York	New York	April 14, 1904	250,000
‡Varick Bank	New York	June 30, 1904	100,000
§Electric City Bank	Niagara Falls	July 30, 1904	75,000

*Closed by merger; †Failed; ‡Voluntary liquidation; §Succeeded by a trust company.

Assets and Liabilities.

The condition of the banks of deposit and discount as reported by them on the eighth day of September, 1904, compares with their condition as shown by the like reports as of the twenty-fifth day of August, 1903:

ASSETS.	1903.	1904.
Loans discounts, less due from directors	$215,183,294	$240,312,935
Liability of directors as makers	9,199,959	9,478,286
Overdrafts	171,951	160,091
Due from trust companies, banks, bankers and brokers	30,208,676	42,767,603
Real estate	11,965,180	12,695,340
Mortgages owned	3,899,948	4,885,216
Stocks and bonds	24,243,267	31,149,232
Specie	28,864,470	40,980,063
United States legal tenders and circulating notes of National Banks	16,197,830	19,601,875
Cash items	26,951,454	40,543,027
Assets not included in any of the above heads	726,712	913,048
Add for cents	604	591
	$367,613,345	$443,487,307

LIABILITIES.	1903.	1904.
Capital	$29,145,700	$28,070,700
Surplus fund	21,974,127	22,994,282
Undivided profits	10,746,986	11,093,515
Due depositors on demand	250,915,540	304,866,403
Due to trust companies, banks, bankers and brokers	37,533,215	57,091,626
Due to savings banks	14,871,250	16,561,922
Due to the Treasurer of the State of New York	1,616,548	1,903,660
Amount due not included in any of the above heads	809,679	904,901
Add for cents	300	298
	$367,613,345	$443,487,307

One hundred and ninety-three banks reported August 25, 1903.
One hundred and eighty-six banks reported September 8, 1904.

Securities and Cash Held in Trust.

Securities and cash were held by the Superintendent of Banks on the thirtieth day of September, in trust for the banks of deposit and discount, individual bankers, two mortgage and security companies, and the trust companies, as herewith stated:

United States 2 per cent. bonds	$46,000
United States 3 per cent. bonds	18,000
United States 4 per cent. bonds	160,000
New York State 3 per cent. bonds	4,000
New York State 3½ per cent. bonds	100,000
New York County 3 8-10 per cent. bonds	50,000
New York city 2½ per cent. bonds	368,000
New York city 3 per cent. bonds	710,000
New York city 3½ per cent. bonds	5,572,500
Brooklyn city 3 per cent. bonds	220,000
Brooklyn city 3½ per cent. bonds	250,000
Brooklyn city 4 per cent. bonds	100,000
Niagara Falls city 4 per cent. bonds	20,000
Rochester city 3½ per cent. bonds	80,000
Rochester city 6 per cent. bonds	10,000
Middletown city 3½ per cent. bonds	20,000
Albany city 3½ per cent. bonds	41,750
Jamestown city 4 per cent. bonds	20,000
Buffalo city 3½ per cent. bonds	50,000
Bonds and mortgages	50,000
	$7,890,250

RECOMMENDATIONS.

Compulsory Examinations of Banks by Directors.

In a recent address the Comptroller of the Currency declared it to be a practically universal rule that all bank failures are due to loans in excess of the statutory limitation to one interest or group of interests, generally owned or controlled by the officers making the loans. Failures due to forgeries and defalcations the Comptroller regards as almost invariably the last of a chain of misdeeds beginning with the loaning of undue and illegal amounts by the officers to themselves or concerns in which they are interested. The records of the New York Banking Department hardly give this second-named cause quite the subordinate place to which the Comptroller relegates it, nor would I wish to impute so large a percentage of excessive loans as stated by the Comptroller to be for the benefit of the officers making them. It is the misfortune of some bankers not to be able to capitalize and italicize *No* in dealing with their customers, and a consequence is disastrous loans in which the bank officials have no personal interest. But the real point is to devise and apply safeguards against abuses of whatever sort that may comprise danger, and one of the easiest and surest would be to compel "directors to direct." I therefore urgently renew the recommendation already several times submitted by me that the Banking Law be made to require periodical examinations of banks—say, every three or six months—by their boards of directors, or by a committee of directors, either by themselves or through an accountant working under their instructions, and verified reports thereof to be filed in the Banking Department as evidence of proper performance of the work, and for the information of the Superintendent. The faithful discharge of such a duty would not only familiarize the directors with the details of their trust, but it would restrict the opportunities of officers to make unauthorized employment of the funds in their keeping for their own benefit, tend to the correction of mistakes and of unwise extensions of credit, and constitute a check upon possible individual dishonesty.

More Frequent Official Examinations.

It is respectfully submitted also for the careful consideration of the Legislature if official examinations of banks and trust companies, now obligatory upon the Department only once a year, should not, in the interest of greater safety, be required to be made as often as semi-annually. Plainly, the only objection that could be advanced against the proposition is the increased expense to which it would subject the institutions, and that can hardly be regarded as serious. Indeed, some of the very best banks at times request special examinations, and are glad to pay for them, and a number of National banks frequently seek State examination in addition to the visitation by representatives commissioned by the Comptroller of the Currency to which they are required to submit. The disclosure of faults and the correction thereof which attend upon an examination are usually more than full compensation to an institution for the charge imposed for the services of examiners, and where matters more serious than a fault are found it is of course important that the discovery should be had at the earliest practicable day. A delay of half a year might in many instances mean all the difference between saving an institution or having it ruined.

Restrictions Upon Large Loans.

Probably all banking codes fix some percentage to a bank's capital, or to capital and surplus combined, beyond which limit a bank is required not to go on permitting a liability to it to be incurred by any person, company, corporation or firm. That limit of loans is set in the National Bank Act at ten per cent. of a bank's capital, though the discount of bills of exchange drawn in good faith against actually existing values, and the discount of commercial or business paper actually owned by the person negotiating the same, shall not be considered as money borrowed. The State Banking Law fixes the limit at twenty per cent. of the capital and surplus of a bank or trust com-

pany. Provision is made, however, that the restriction need not apply to the discount of bills of exchange drawn in good faith against actually existing values, or to commercial or business paper actually owned by the person negotiating the same, or where collateral security worth at least fifteen per centum more than the amount or amounts loaned thereon is furnished. Under these provisions loans and discounts may be made to one person, company, corporation or firm, up to one-half of a bank's or trust company's capital and surplus.

It is hardly necessary to suggest that large loans to any one interest, especially if unsecured, constitute an element of danger, and it was undoubtedly a recognition of this fact that fixed the limit of ten per cent. of capital in the National Banking Law. As I have shown, it is possible under the present State Banking Law to loan legally to one man one-half of the entire capital and surplus of a bank. Hon. W. B. Ridgely, Comptroller of the Currency, in an address delivered before the Bankers' Association of Illinois recently, said:

"No National bank whose officers strictly obeyed the National Bank ever failed, not one. It may almost be said that not one which did not make loans in excess of the ten per cent. limit has ever failed. * * * * I believe the limit on loans is the most useful and valuable of all the restrictions of the Bank Act."

Mr. Ridgely does, however, agree with the views of the most of his predecessors in office, who have recommended that the ten per cent. limit be extended to cover surplus as well as capital, but suggests that he would rather see no change than that this provision be made too liberal. I think Mr. Ridgely's observations are sound.

The section of the State Banking Law whose substance I have given is clumsily drawn at the best, and leaves open to dispute whether in a case where a bank has an uncollateraled loan amounting to the legal limit, and the borrower seeks a further accommodation, he may obtain it simply by giving collateral security for the new loan, or must furnish collateral worth at least fifteen per cent. more than the sum of all his liabilities to the bank. In the interest of safety the latter ought at least to be the requirement, for where a borrower pledges his property to secure the payment of new loans he diminishes his resources upon the faith of which the original loan was granted. That obscurity in the law should be removed, even if the section be permitted to stand otherwise in its present form. But, in fact, the section should be entirely recast, and the limit of permissible liability carried by it—which is larger than prudent banking justifies—should be materially reduced.

Payment of Interest an Abuse.

As already suggested, I have, upon every proper occasion at least, talked and written against the practice by banks and trust companies of paying excessive rates of interest on deposits. Under present conditions I have no power to prevent it unless indeed I can because of it conclude that it has been carried so far as to make it "unsafe and inexpedient" for any given bank or trust company to continue business. But it would be almost impossible intelligently to come to that conclusion in a specific case with accuracy and certainty. I regard the practice as one of the greatest banes to banking, if not the greatest, in the State to-day; and if possible to regulate it by statute it ought in my opinion to be done.

Danger From Transfer of Control.

I do not know that the Legislature has any power to prohibit the transfer of the control of a bank to new interests, nor that it is possible to prescribe conditions under which alone such a transfer may be made. But, as evidenced recently in the case of the German Bank in Buffalo, to which reference has been made in this report, if such a transfer could be regulated it might prevent disaster, which, in the case of the German Bank, is directly traceable to the change of control.

Assessment of Stock to Restore Impaired Capital.

The law providing for the assessment of stock of a bank to make good an impairment of capital is crude and unwieldy. Under the existing statute, where an impairment of a bank's capital is discovered, it is the duty of the Superintendent of Banks to require the bank to make good the deficiency. This is done, of course, by an official order of the Superintendent. Upon the receipt of such order it becomes the duty of the directors of the bank to give a written notice of the requisition to each stockholder, and of the amount of the assessment which he must pay for the purpose of making good the deficiency. If any stockholder shall refuse or neglect to pay the assessment within sixty days, the directors may sell the stock at auction to the highest bidder after publishing notice of such sale for two weeks in a newspaper in the place, or county, where the bank is located. The law, is, moreover, indefinite as to the disposition of the proceeds of such a sale. Former Attorney-General Cunneen held that the proceeds must go to the former holder of the stock, and that the purchaser would take it subject to the assessment. To carry out the law literally with reference to publication and sale in such a case would, in my opinion, mean simply the ruin of a bank, because to publish to the world that a bank's capital was impaired, and that an assessment had been ordered to make the impairment good, would in the very nature of things cause the withdrawal of funds to an extent perhaps sufficient to force the closing of the bank. The law should be amended so as to allow a private sale of stock by the directors upon notice to the owner of the amount offered therefor, and the giving to him of another opportunity to pay the assessment, and thereby prevent the sale if he so desires. It should also be provided that the proceeds of sale shall be applied to the payment of the impairment and the expenses of the sale, and the remainder, if any, be returned to the former holder.

Reserve for Trust Companies.

If the transactions which go to make the bulk of the business of an institution are determinative of the class and character to which it belongs, then it is not deniable that many of the trust companies in the State, and particularly many of those of comparatively recent organization, are hardly other than banks under another name. So much so is this the fact that critics of prevalent conditions have contended that there has in effect developed, side by side, in New York, two distinct systems of banking, and that if the statutory obligations resting upon the one are essential to the prudent and safe conduct of business, then the other has privileges and immunities which it is contrary to the public interest to permit to it. While not subscribing in the remotest degree to any implication which this criticism may suggest, that the condition of the trust companies is not altogether safe and strong, I am yet far enough in accord with it to have never quite liked the idea that a trust company should be organized merely to do the business of a bank, and to hold that in respect to taxation and to the requirement for keeping a legal reserve trust companies and banks should stand nearly upon the same plane. As to the former particular, legislation in 1901 corrected the inequality between them which had theretofore obtained, and now general public sentiment and authoritative financial judgment are both trending strongly to the demand that like corrective measures be passed as to the latter. If there is in this country anywhere a body or organization of men whose united opinion as to banking practices carries weight and constitutes authority, it is that of the Clearing-House Association of New York. That association declared the judgment more than a year and a half ago that the trust companies ought to be required to maintain a legal reserve, and attempted to make provision in its rules to accomplish compliance with such view. The rule has not, however, been effective, and, in my judgment, the time has come when the larger and surer authority of the Legislature should be invoked to compel what the Clearing-House Association has been unable to accomplish. It is, therefore, recommended that the Banking Law be amended so as to require that trust companies keep a reserve against their

deposits—those located in the city of New York a reserve of fifteen per cent. of their deposits, at least one-third of which shall be in cash; and those located elsewhere a reserve of ten per cent., at least one-half of which shall be in cash.

In making this recommendation I am aware that I invoke the opposition of many trust company officials.

It must be admitted that the necessity for a legal reserve against the deposits of trust companies does not apply with equal force to all, and yet, as I pointed out last year, the greater portion of the business of most trust companies is a general banking business, and it is this fact which, more than any other, impels me to take the position I do. It may be possible to so adjust the matter that purely trust deposits may be exempted from the requirement. What I do contend for is that commercial or business deposits in trust companies subject to check—the money used in the daily transaction of business and subject to the same influences as ordinary bank deposits—should be compelled to submit practically to the same laws respecting cash reserve.

There are reasons why trust companies located in New York city should not be required to keep so large a percentage of their reserve in cash as banks of discount in that city are required to do. Trust companies located in New York city must under the law have a capital of at least half a million dollars, which must all be invested in specified securities, and the character of these securities is such that they could be immediately converted into cash should emergency arise. In addition to this, the great bulk of the loans of trust companies in the city of New York are made upon approved collateral, which could be readily converted.

It is objected that to require trust companies to keep cash reserves would take from circulation a vast sum of money. As a practical question let us see how this would be.

On the first day of July, 1904, the trust companies located in the city of New York held deposits, including amounts due banks, savings banks, and other trust companies, amounting to the sum of $876,799,540. They had in turn on deposit in banks, $213,739,334, and a cash on hand $32,247,285, making, as a matter of fact, a reserve of over twenty-eight per cent. of all their deposits and nearly three and seven-tenths per cent. of cash reserve.

The requirement recommended could, therefore, retire from circulation in the city of New York, based upon the reports of July first, last, but one and three-tenths per cent. of the companies' deposits, or $11,592,692.

Outside of the city of New York the trust companies held deposits of all kinds on the first day of July, last, amounting to the sum of $101,606,279. They had on deposit in banks and other institutions $17,410,598, and cash on hand $3,272,131, making in cash and on hand twenty and three-tenths per cent. of their entire deposits, and in cash three and two-tenths per cent.

If they were compelled to keep a five per cent. cash reserve, there would be withdrawn from circulation the further sum of $1,808,182, a total in the state of $13,400,874. This does not seem to me to be of sufficient importance to make my recommendation inadvisable.

In reality the amount withdrawn would work out at less than the figures given, since the increase of cash which the companies would be required to carry would probably be gained by drawing upon their deposits with banks; and since the banks already keep a reserve against these funds, only a part of the sum so withdrawn could be regarded as taken out of circulation. The matter might doubtless be so managed that instead of adding nearly thirteen and a half million dollars to cash reserves the amount so added should be well within eleven millions.

Authorization of Banks and Trust Companies.

Until within a few weeks the construction of the statute regarding the organization of banks of deposit and discount that has always obtained in this Department, and which had been concurred in orally at least by Attorneys-General, required the Superintendent's certificates of authorization to issue as a matter of course, and indeed as a right of the applicants, after com-

plete compliance by the proposed corporators with the procedure which the law requires on their part. Former Attorney-General Cunneen recently advised me, however, that the Banking Law charges the Superintendent of Banks with a discretion and responsibility in such a case contrary to the view hitherto held, and contrary to the practice followed since the creation of this Department. I have since conformed my course to such opinion.

As to trust companies the statute clearly and expressly not only confers the power, but also imposes the duty, upon the Superintendent of Banks in case of an application for a charter for an institution of this class to determine whether "the general fitness for the discharge of the duties appertaining to such a trust of the persons named in the certificate is such as to command the confidence of the community in which such trust company is proposed to be located, and whether the public convenience and advantage would be promoted by such establishment." If he conclude in the negative he must refuse authorization.

This unquestioned provision and Mr. Cunneen's interpretation of the law regarding banks vest in the Superintendent of Banks a discretion which I have more than once expressed the opinion in my annual reports that no official should possess in such cases. It is one which it is often extremely difficult to exercise with confidence in the correctness of the conclusion reached, and when the location of the proposed institution is in the great city of New York, with the vast and complex financial interests centered there, it is, of course, simply impossible that any man can determine intelligently that there is not room for a new company with capitalists of abundant resources and high character asking for it, and approving it with their means and influence. It would be arrogantly presumptuous for a Superintendent of Banks to venture to so hold. The law must, therefore, be a dead letter, as to the city of New York. In seeking to apply it elsewhere with a faithful regard for his obligations, and with consideration for the public interest and welfare, arduous effort, anxiety and perplexity are inevitable, and, as stated by me in a former report, the Superintendent of Banks "must under the law assume to foresee and make a basis of his conclusion," consequences that he can not possibly be sure that he measures correctly.

I therefore recommend that the law be changed to permit trust companies to be formed wherever capital chooses to so interest itself, with the reservation only that the proposed corporators shall be found by the Superintendent of Banks to possess "general fitness for the discharge of the duties appertaining to such a trust," and to "command the confidence of the community in which such trust company is to be located." In that event, however, the minimum capital that a trust company may have should be increased to at least two hundred thousand dollars, and there should be a requirement of law that trust companies keep a legal reserve. It is also recommended that it be made clear in the law that the right to a bank charter is as free and absolute as it was under the act of 1838 and under the Banking Law of 1882, and, as until former Attorney-General Cunneen declared otherwise, it had been supposed to be under the Banking Law of 1892.

The Tax on Franchise of Savings Banks.

The vast resources of the Savings banks of New York would alone demand that in whatever action the State takes concerning them it proceed with extremest care and discerning judgment. When it is considered also that these resources are mainly the savings or inheritances of men and women who are inexperienced in business, and are possessed of but moderate means. the claim of the savings banks system to be spared the imposition of avoidable burdens, and to be granted whatever can be asked in reason for its further fostering and development, must be recognized as peculiarly deserving and strong. In harmony with this thought is the apparent consensus of opinion among those who control State policies that the franchise tax on savings banks should be repealed. I am in hearty accord with this opinion. and respectfully urge that the tax be repealed. Such action will be widely approved, and may be expected to have helpful consequences. While it may not bring to any one bank so large a reduction in expenses as to permit the

payment by it regularly of a higher rate of dividends, it will at least enable every institution to carry a larger sum to surplus, and thus add to its strength and earning power, and will hasten the day when an extra dividend to depositors will be declared.

Securities for Savings Banks.

In the interest of these institutions, which is identical always with the interests of their depositors, it is urged that it should be the undeviating policy of the Legislature not to admit any security whatever as an investment for savings banks which is not approved by the Savings Banks Association. This organization is composed of men whose experience especially qualifies them as an authority in these matters, and who are estopped by law from having any interest in the determination of such a question apart from the consideration of what is best for the banks. It is of so great advantage to a railroad or a municipality that its bonds be among those which New York Savings banks may purchase that the practice of seeking legislative approval for such issues grows year by year. The test plainly ought not to be what interests desire to obtain this market for bonds, but, solely, what bonds safety advises that the list may include. There are no better or more disinterested judges on this point than the officers of the Savings banks, and their recommendations in any given case should be conclusive.

Or perhaps it would be well, if it is thought desirable to admit as legal investments for Savings banks securities other than those now contained in the statute, to enact a law providing for the admission of such railroad mortgage bonds and municipal bonds as come within a class and fulfill conditions to be prescribed in the law, without specifying particular securities. Such a provision would render special legislation unnecessary and inadvisable.

Branch Savings Banks.

The premiums which high-grade investment securities command, and the low income they return, make difficult and uncertain the success of a new Savings bank, compelled to compete with old institutions whose safety time and panics have demonstrated, winning for them the public confidence, and whose surpluses help to earn dividends. Under these conditions the establishment of Savings banks in localities not now served by them must come slowly, if at all. But nothing is more certain than that to be afforded the facilities which Savings banks supply, and to feel the stimulus of the influence which they exert, would advantage almost any community. Present to people a plan for saving which embodies both safety and increase, and frugality is fostered with resultant thrift and independence. If a plan be practicable for carrying the work of the savings banks into new fields—and I believe it is—it surely deserves legislative sanction. The method I propose is to authorize existing banks to establish branches upon the initiative of their trustees subject to the approval of the Superintendent of Banks, which branches shall possess all of the security that attaches to the parent institution, and shall assure to depositors exactly the same measure of benefits that those in the main office enjoy. A scheme wisely wrought out for branches of the character suggested would contain great possibilities of good, and it is difficult to see wherein harm could come from it in any way. I commend the idea to the consideration of the Legislature.

Misleading Advertising.

The Banking Law has long contained a provision designed to protect the public, and particularly people who do not discriminate closely, against being misled into placing their savings with individuals, firms, associations, and even banking corporations, upon any representation that should convey an impression that they were depositing with a Savings bank. The statute in this respect has not been found to be properly effective, however, and various attempts to make it more stringent have hitherto failed. The practice is in consequence not uncommon for trust companies and banks of deposit and discount, and even for private bankers and mercantile houses

to advertise "savings departments" as features of their business, often agreeing to pay slightly higher interest than the dividends generally paid by Savings banks, and employing in the business most of the methods that are distinctive with Savings banks. They issue pass-books, permit withdrawals only upon the presentation of the pass-books, make interest payable quarterly or semi-annually, and date the time when interest begins from the first day of the month. In practically every particular, except that of guaranteeing safety, they simulate the business of a Savings bank, and unquestionably many persons who deposit with them, uninformed as to the distinction between them, actually suppose that their money is held with substantially the same safeguards, or exactly the same, against loss that it would have in a Savings bank.

While there is no copyright, or exclusive claim by Savings banks, upon the plan of issuing pass-books for deposits, of reckoning interest from the first day of a month, or of crediting or paying interest quarterly or semi-annually, it would unquestionably be competent for the State to enact a law which would guard against deception in this matter more effectually than the existing statute does; and I am strongly of the opinion that the public welfare requires such action. Savings deposits with private bankers or department stores are subject to all of the hazards of business, without other guarantee behind them than the responsibility of those who employ them for their own use. I think that the evil would be measurably remedied if Section 131 of the Banking Law were amended to prohibit the use of the word "savings" in connection with the business, and in the advertising literature, of any "bank, banking association, individual banker, firm, association, corporation, person or persons" other than a savings bank or a building loan association. Then banks and trust companies, or other interest might advertise "interest departments" if they chose, but they would be restrained from conveying the impression, while avoiding the express representation, that they are Savings banks.

Deposits not Proper for Savings Banks.

But while I am thus urgent that measures should be had to effectuate a discontinuance of the invasion by other institutions, and by firms and individuals, of the field of business belonging distinctively to the Savings banks, I am equally of the conviction and desire that the Savings banks should confine their operations within strictly their proper limits. It is of importance alike to the Savings banks and to the public that this condition obtain and be rigorously enforced. It was never contemplated by the State that these institutions should be permitted to be used as a convenience, or for the purpose of escaping taxation, by men capable of administering their own business affairs, and commanding means in amount that admit advantageously of independent investment. Yet it is undeniable that the Savings banks are so used to a larger degree than ought to be the case. The ambition to become a "big bank" is in part responsible for it, and so, while many Savings banks hold scrupulously to the practices which ought to prevail, others welcome all kinds of deposits. The consequence is to prejudice the entire system with the Legislature, and to give strength to the demand that Savings banks be taxed. Practically every intelligent sincere friend of the Savings banks deems it important that means be devised to prevent the duplication of accounts therein, and to accomplish the exclusion therefrom of moneys that should properly be intrusted to banks or trust companies. The problem is difficult even when the best effort of the management of a Savings bank is given to the attempt to solve it. The officers of a bank having a hundred thousand accounts, for illustration, cannot know each of its depositors, and much less the circumstances of each. It might even easily happen that the same depositor should have two or more accounts in such a bank without exciting attention, and the fact that a depositor had accounts in a dozen, or a hundred, other Savings banks would certainly be unknown except by his own disclosure. So far, then, as abuse exists through a multiplication of accounts in different savings institutions the institutions themselves are in nowise blameworthy, how-

ever criticism should be visited upon those of them which make a practice of seeking deposits regardless of their character. A remedy which would in my opinion prove effectual has hitherto been recommended by me, and is herewith renewed. It might prove cumbersome to the banks in busy periods, but they should be willing to submit to some inconvenience, if necessary, for the general welfare. Let a limit be set to the aggregate amount that any one person may have on deposit in a Savings bank, or in all of them combined, and then require that any one offering at any Savings bank a deposit large enough to suggest that it may be of an investment character, and exceeding some sum to be fixed by law, shall, in order to permit the bank to accept it, make and subscribe an oath that the deposit so offered will not carry the aggregate of his deposits in all Savings banks to more than the statutory limit. False swearing in such a case should constitute perjury.

The employment of this requirement would, I think, work out in the course of a few years to make moneys in the Savings banks almost exclusively of the character which it is legitimate for them to take and hold in custody.

Another remedy which has been suggested by some of the leading Savings banks men of the State is that no bank be allowed to receive on deposit from any one person more than five hundred dollars in any year.

A Preference for the Small Depositor.

The suggestion is also submitted for the consideration of officers of Savings banks if a classifying of their depositors according to the amounts to their credit, with allowance of considerably higher rate of interest on sums up to five hundred, or even one thousand dollars, than is paid on amounts in excess of such stated sum, would not conduce to at least a partial discontinuance of the use of Savings banks by investors, and, if so, if they ought not to employ that method. It is already in use in a number of banks, and since it gives a preference to the small depositor, who is presumably most in need of encouragement of that kind to keep him up to the effort of saving, it appeals to me as quite in consonance with the idea underlying the Savings banks system, and worthy of universal adoption.

Indeed, so strongly does this idea appeal to me of the giving a preference to the small depositor, whose moneys are presumably genuinely savings, that I believe a requirement for it should be embodied in the law. If it were provided by statute that interest credited or paid by Savings banks on all sums up to one thousand dollars must be at the rate at least one-half more than the rate paid or credited on sums above that amount, it seems to me probable that it would go far toward curing the abuse of the employment of these institutions by men of means for investment purposes. It might even be advisable to limit by law to perhaps two per cent. the rate of interest which may be credited or paid in any circumstances on any individual deposit in excess of some stated amount, say, two thousand dollars. While such a requirement might work hardship on a few depositors who have larger sums in the Savings banks, and who yet need such custodianship and management for their moneys quite as much as smaller depositors, these cases would be the exceptions, and the conclusion cannot be far wrong that as a general proposition the individual who has had the shrewdness and the thrift to accumulate more than two thousand dollars by saving has or may easily acquire the capacity to invest it independently to advantage and with reasonable assurance of safety.

The one consideration that most impresses me in this matter is that the welfare of the system imperatively demands that some plan be devised which will confine the Savings banks to the province which is legitimately theirs, and to which their transactions should be strictly limited.

Dormant Accounts in Savings Banks.

A grossly exaggerated idea obtains on the part of many people regarding the amount and the number of accounts in the Savings banks of this State which commonly are loosely, but erroneously, referred to as "abandoned" or

"unclaimed." No moneys whatever in the Savings banks are recognized by the banks themselves, by the Superintendent of Banks or by the law as "unclaimed." On the contrary, every dollar of deposits in every bank is held subject to payment upon call by the depositor who made it, or by his heirs or legal representative, and whenever the call comes, be it in a year or not until after half a century, it is the usual practice of the banks to add interest to the principal for the entire period that it has remained in the bank. There are, however, something like nine thousand accounts (out of a total of nearly two and a half millions) in the Savings banks which the law denominates "dormant;" *i. e.*, "accounts which have not been increased nor diminished by deposits or withdrawals, exclusive of interest credits," within a period of twenty-two years. These are undoubtedly the moneys which are so often, and so improperly, termed "abandoned;" and five years ago, the latest date when their amount was reported to this Department, though a list of them without the amounts is filed annually, they aggregated $1,672,458.52, which was less than one-fifth of one per cent. of the total deposits in Savings banks at that date. It was, moreover, barely one and one-half per cent. of the surplus of the savings banks, which many mistakenly suppose to be made up mainly of accounts of the character in question. Some of these accounts are being claimed or called for continually. For illustration, the whole number of dormant accounts in the Savings banks in 1890, the first year that the law required report to be made concerning them, plus those that have become dormant since 1890, is 12,250, and of this total 3,223, or more than twenty-six per cent., have been paid or become active.

It is becoming increasingly the practice of the Savings banks to make diligent and systematic search for depositors whose accounts have stood undisturbed for many years, and often with success. In some of the older banks a man is employed to give his time exclusively to this work. Inquiries are made by him personally, are sent out by mail, and are prosecuted by advertisements in newspapers. The results not infrequently are interesting, and some of them surprising. A search of this character prosecuted by the Brooklyn Savings Bank a few years ago illustrates the persistence and thoroughness with which this work is performed when well organized. The depositor who was sought had formerly resided in Brooklyn. Inquiries in the locality where his home had been brought out merely the fact that he had removed some years previously to New Jersey. Letters were then addressed, first, to the postmasters in all the smaller places in that State without eliciting the desired information, and, then, to the postmasters in cities. At length came a reply that the man in question or his family was thought to have removed to France. The inquiry continued to be pressed by similar procedure, with the field of search carried across the Atlantic, and was eventually successful, and the money was in due time paid over.

The story is illuminating in its discredit of the impression held by many that the Savings banks desire to conceal their possession of dormant deposits, and to hold them indefinitely. The exact contrary is the fact. It should be understood also that though undoubtedly there are cases where lawful claimants to money in Savings banks appear to have forgotten or to be unaware of such funds to their credit, in many instances depositors whose accounts have stood long undisturbed are found to be fully cognizant of their rights, and to have definite reasons for not having drawn upon them. These reasons run from the resolve to leave such moneys undisturbed for a possible last desperate need to the pitiful purpose avowed by a woman who had been hunted out by a Savings bank after a disappearance of many years, that her account had been left undrawn that it might serve to save her from burial in the Potter's Field.

It would, in my opinion, be the greatest of mistakes and a grievous wrong, for the State to give serious regard to the proposition so often put forward, that it take over these deposits, either as custodian of them or by escheat. Upon the other hand, it would be well, I think, that the State require by statute that every Savings bank make it the duty of some individual or individuals in its employ to undertake to locate every de-

positor (or his heirs or legal representative) whose account shall not have been increased by deposits nor dismissed by withdrawals in, say, ten years, and make a record of what is thus ascertained. Such work would prevent large numbers of accounts from becoming dormant; and the elimination of such accounts would mean both the restoration of moneys to those entitled to the enjoyment of them, and also the removal of one ground of prejudice against the Savings banks and of attack upon them.

Respectfully submitted,

F. D. KILBURN, *Superintendent of Banks.*

RESERVES OF BANKS AND TRUST COMPANIES.—The New York Chapter, American Institute of Bank Clerks, held its regular meeting at the rooms of the chapter, No. 32 Waverly Place, New York city, on the evening of January 26. The meeting was addressed by Alexander Gilbert, President of the Market and Fulton National Bank, on "Commercial Credit and the Banking Reserve." W. Irving Dey, of the People's Bank, read a paper on "The Functions of a Bank." This was followed by an informal discussion on "Individual Ledger Methods" and "Form of Registry for Collections."

In his paper Mr. Gilbert said in part:

"During the recent discussion of the proposition to require trust companies to carry a cash reserve, the trust companies took the ground that the withdrawal of a large amount of cash from active circulation and locking it up in bank vaults for reserve purposes was unnecessary and unwise; that money thus held would be of no use to the business world; that it would be reduced from a state of profitable activity to unprofitable inactivity; that the trust companies do not require very much of a cash reserve. This reasoning seems all wrong. Money withdrawn from circulation reaches its highest efficiency when held as a banking reserve; it performs a three-fold function. It gives assurance to the business world that our banking institutions are well prepared for any financial crisis that may occur; it gives a feeling of security to depositors, and it furnishes a broad foundation upon which the credit operations of the country can securely rest. In a financial crisis cash is not needed as badly as credit, and for every dollar of cash held in reserve four or five dollars of credit can be furnished through our clearing-house operations.

Who shall carry this reserve? What institution shall bear the expense of this costly burden—for it is costly—the locking up of several hundred millions of dollars? The logical answer to this inquiry would seem to be that every institution authorized by law to receive on deposit and invest for its own profit the unemployed funds of the country should be compelled by law to carry its pro rata share of the reserve. The franchise under which banks and trust companies do business is a very valuable one; it brings to them great gain. Through the magnitude of their credit operations a large cash reserve becomes necessary. Why should not each and every one carry its proportionate share? The trust companies say: Our business is different from that of the banks; a large portion of our deposits is not payable on demand. Well, make some allowance for that; but just in proportion as they do a general banking business let them contribute to the lawful money reserve of the country. With very few exceptions they all do a general banking business; they advertise it openly; and they do it on a less conservative basis than commercial banks. They receive deposits payable on demand; they buy and sell stocks, which might be called speculating in stocks, a thing which National banks cannot do without a remonstrance from the Banking Department. If there is to be any discrimination it should be in favor of the banks, for they are the conservative institutions. Their large cash reserve entitles them to this distinction.

The trust companies say: We carry all the reserve that is necessary on deposit with the banks, for which we receive interest. This is a very important point to consider—the payment of interest on trust company balances is wrong in principle; it injects an element into the situation which in the hour of panic would prove a great weakness. Any crisis of sufficient gravity to cause a rapid decline in bank deposits will cause a fall in trust company deposits. The result will be a heavy withdrawal of cash from the banks by the trust companies just at the time when the banks will need the full strength of their reserve to stay the drain upon themselves."

Proposed Income Tax in Canada.—The chamber of commerce of Montreal, backed by many financial concerns of that city, has declared in favor of a law imposing an income tax as a source of revenue to the Dominion. It is held that, inasmuch as the principal mercantile bodies, as well as the large financial and manufacturing corporations, have declared themselves in favor of such a tax, it will be an easy matter to carry this measure through the present legislature.—James H. Worman, Consul, Three Rivers, Quebec.

TENDENCY TOWARD UNIFORM BANKING LAWS.

FROM THE NEW YORK STATE LIBRARY YEARBOOK OF LEGISLATION.

[By William A. Scott, Ph.D., Director School of Commerce, Professor Economic History and Theory, University of Wisconsin.]

The legislation of our States regarding banking and allied institutions in 1903 presents no marked peculiarities. Progress along old lines, however, is noteworthy, as is also the tendency toward uniformity. Judging from the trend of legislative activity during the last few years, it seems reasonable to hope that the time is not far distant when in every one of our States, commercial banks, Savings banks, trust companies, building and loan associations, other investment companies and pawnbrokerage establishments will be clearly differentiated, and suitable laws pertaining to each class of institutions placed on our statute books. For some time past every year has marked progress in this direction. During 1903, Wisconsin, South Dakota and North Carolina passed general laws regarding commercial banks; Wisconsin regarding Savings banks; Arkansas, New Mexico and Washington regarding trust companies; Michigan and Missouri regarding investment companies other than building and loan associations, insurance companies, etc.; New Jersey regarding building and loan associations; and Illinois regarding pawnbrokerage establishments. The numerous amendments to previously existing laws passed during the last year indicate a marked tendency toward uniformity in methods of regulating these classes of institutions, a fact which is due probably not to conscious imitation of one State by another, but to experience which ultimately reveals the same difficulties everywhere and points to the same remedies.

COMMERCIAL BANKS.

Of the three general laws pertaining to commercial banks passed during the year, that of Wisconsin is the most comprehensive and the most carefully drawn. This fact is perhaps explained by the long time devoted to the preparation of this act. Several years ago a carefully drawn bill was submitted to the people (in accordance with a constitutional provision at that time in force) and voted down. The people of the State interested in this sort of legislation then proceeded to secure the adoption of an amendment to the constitution authorizing the Legislature to pass a general act, and succeeded in accomplishing their end at the election in November, 1902. The bill which was presented for passage in the session of last year was a modification of the one previously submitted to popular vote and represented a great deal of careful thought by leading bankers and others. It covers State banks, private banks and Savings banks, a special chapter being devoted to the latter class of institutions.

A comparison of the leading provisions of these three general acts (Wisconsin, South Dakota and North Carolina) will reveal their uniformity in essentials and their peculiar characteristics. In all three States the minimum capital prescribed for banking institutions is $5,000. In Wisconsin and North Carolina this applies to towns with a population below 1,500 inhabitants, while in South Dakota it is the minimum for banks in towns of 500 inhabitants or less. On the basis of the amount of capital required, the Wisconsin statute recognizes five classes of institutions, $10,000 being required of banks in towns having between 1,500 and 3,500 inhabitants, $20,000 in towns having between 3,500 and 5,000, $30,000 in towns having

between 5,000 and 10,000, and $50,000 in all towns over 10,000. The other two States recognize three classes only, the requirement in South Dakota being $10,000 for banks in towns of between 500 and 2,000 inhabitants, and $25,000 in towns with over 2,000 inhabitants. The North Carolina act requires a minimum of $10,000 capital for banks located in towns with a population between 1,500 and 5,000, and $25,000 in towns of over 5,000. In the Wisconsin and South Dakota laws provision is made for accumulating a surplus equal to twenty per cent. of the capital stock, the requirement being that one-tenth of the net proceeds must be set aside annually or semi-annually, or whenever a dividend is declared, till this total is reached. The North Carolina statute makes no provision for a surplus.

The enumeration of powers is almost identical in all three cases. In the Wisconsin statute, which may be taken as typical, the words describing the peculiar functions of banking institutions are as follows: A bank shall have power "to exercise, by its directors, duly authorized officers, or agents, all such powers as shall be usual in carrying on the business of banking; by buying, discounting and negotiating promissory notes, bonds, drafts, bills of exchange, foreign and domestic and other evidences of debt; by receiving commercial and saving deposits under such regulations as it may establish; by buying and selling coin and bullion, and by buying and selling exchange, foreign and domestic; issuing letters of credit, and by loaning money on personal or real security, as provided hereinafter." The statements in the other two statutes omit the mention of savings deposits and of the issue of letters of credit.

Requirements as to Reserves.

The reserve requirements of the three States vary somewhat. In Wisconsin the provisions of the National Banking Act were copied, a reserve of twenty-five per cent. of deposits being required for banks designated as reserve banks, and fifteen per cent. for all others. In North Carolina a twenty per cent. reserve is required in towns of 25,000 inhabitants or over, and fifteen per cent. in others, while in South Dakota a twenty per cent. reserve is required of all banks irrespective of the size of the town or of the capacity of the bank to receive reserves on deposit. Whenever the reserve falls below the legal limit, the Wisconsin and North Carolina statutes provide that loans and discounts shall cease till it is restored. In the South Dakota law there is no provision whatever regarding the method of procedure in such a case. In all three States banks are permitted to keep a part of their reserve on deposit in approved banks. No limit in regard to the amount thus deposited is prescribed in the South Dakota and Wisconsin statutes. The Wisconsin law provides that the directors shall determine how large this portion shall be, and the North Carolina law fixes the amount at sixty per cent.

Limitation of Investments.

Regarding investments the three acts have many provisions in common. All prohibit the holding of real estate except to the extent that is necessary for transacting business, or when it has been conveyed to the institution in satisfaction of debts previously contracted, or when it shall become the property of the bank by judgments, decrees or mortgage foreclosure proceedings, or when its purchase shall be necessary to secure the debts due to the bank. Wisconsin and North Carolina limit the amount that can be held for business purposes to twenty-five per cent. of the paid-up capital and surplus. All three States require the sale of real estate acquired in the satisfaction of debts and in the other ways above mentioned, except the first, within five years of the time of its acquisition. The Wisconsin statute also requires that no bank shall bid on real estate a larger sum than is necessary to satisfy its debts and the cost of their collection. Wisconsin and South Dakota restrict the amount of money that can be loaned to any one person, copartnership or corporation, the former State to thirty per cent. of the capital and surplus, and the latter to twenty-five per cent. of the capital. The Wisconsin statute, however, permits the directors by a two-thirds vote to increase such loans to the total amount of

the capital and surplus. The North Carolina statute is silent on this subject, as it is also on that of the amount of loans to be permitted on real estate security and to officials. Wisconsin limits loans on real estate securities to fifty per cent. of the capital, surplus and deposits, except when authorized by a vote of two-thirds of the directors, and South Dakota to twenty-five per cent. of the bills receivable. In the case of loans to officials, the Wisconsin law requires a responsible indorser or the deposit of a sufficient amount of collateral security, or a resolution of the board of directors; that of South Dakota requires the consent and approval of the board of directors.

PROVISION FOR OFFICIAL SUPERVISION.

All three States place these institutions in charge of a State department, the chief officer of which is called in Wisconsin the commissioner of banking, in South Dakota the public examiner, and in North Carolina the corporation commissioner. At least five reports a year are required by the Wisconsin statute, and at least four a year in both of the others. Special reports may be called for in all three cases. Inspection at least once a year is required in Wisconsin and North Carolina, and at least twice a year in South Dakota. The Wisconsin statute contains a clause making it a penal offense for the inspector to disclose any of the information obtained from the examination of banks, except in cases in which he is specifically required so to do by courts or by statute.

The liability of stockholders in Wisconsin and North Carolina is limited to the amount of the par value of their stock, and in South Dakota to twice that amount. The North Carolina statute makes no provision for restoring the capital of a bank in case it becomes impaired, while the other two States provide that such impairment shall be made good by a pro rata assessment on the stockholders or otherwise, in Wisconsin within sixty days after the order is given by the commissioner of banking, and in South Dakota within ninety days. In all three States the appropriate State officer is permitted to take immediate possession of a bank which is believed to be insolvent, pending the adjudication of the case by the courts or the appointment of a receiver.

The supervision and regulation of private banks by State authority has come to be a matter of considerable importance, and it is interesting to note that the Wisconsin law practically prohibits the existence of such institutions. Section 44 states that "the provisions of this act shall apply to, and govern, all banks organized and now existing within this State, and the powers, privileges, duties, and restrictions conferred and imposed upon any bank existing and doing business under the laws of this State are hereby abridged, enlarged, or modified as each particular case may require, to conform to the provisions of this act." Section 45 prohibits the use of the word bank by any "person, copartnership, or corporation engaged in the banking business in this State, not subject to supervision and examination by the commissioner of banking and not required to make reports to him by the provisions of this act."

Inasmuch as compliance with the provisions of the act involves incorporation in the legal sense, private banks can no longer exist in this State.

The provisions of the South Dakota statute regarding this matter of private banking are less specific. In the first section a bank is defined in terms which certainly include private institutions. The words are as follows: "For the purposes of this act every corporation, association, firm or individual whose business, in whole or in part, in South Dakota, consists of the taking of deposits or buying and selling exchange shall be held to be, and is hereby declared to be a bank or banker, and the business of such corporation, association, firm or individual that of banking, and as thus defined such individual member of such corporation, association or firm (except as to National banks) shall be subject to all the provisions of this act."

Section 18 of the North Carolina statute specially provides that private bankers shall not be subject to the terms of the act. Missouri ['03 p.117], California ['03 ch.266] and Delaware ['03 ch.467] passed amendments to

their banking laws which apply to private institutions. The Missouri amendment provides that they must have a capital of not less than $5,000, and that they must accumulate a surplus equal to twenty per cent. of their capital. The California law provides that such bankers must make at least three reports a year to the commissioner of banking, and Delaware makes it a misdemeanor for any person or institution to solicit deposits unless authorized so to do by the State.

The amendments passed by the Legislatures of other States apply to a variety of subjects. They supplement previously existing legislation in important particulars, but a bare enumeration will suffice for the purposes of this review. Utah ['03 ch.77], Oklahoma ['03 ch.4] and Kansas ['03 ch.68] change slightly the capital requirements previously imposed by their laws. The first State reduced its minimum requirement from $25,000 to $10,000 in towns below 3,500 inhabitants, and now requires a minimum capital of $25,000 in towns between 3,500 and 10,000, $50,000 in towns between 10,-000 and 20,000, and $100,000 in towns of over 50,000 inhabitants. The maximum capital permitted to any bank is fixed at $1,000,000. Oklahoma and Kansas raised their minimum requirements from $5,000 to $10,000. New Mexico ['03 ch.109] authorized mercantile companies in towns of less than 1,500 population and with a capital of not less than $30,000, of which $20,-000 is paid in, to carry on a banking business. The law provides that such companies must keep the accounts of the banking portion of their business separate from all other portions, and must keep a minimum reserve of twenty-five per cent. of their deposits, whenever such deposits together with the other indebtedness of the firm exceeds its capital stock. An amendment was passed to the general banking act of Montana ['03 ch.107], which makes mandatory instead of permissive the provision requiring that one-half of the legal reserve consist of balances due from solvent banks. Delaware ['03 ch.330] provided for the supervision of all banks, trust companies, building and loan associations, and investment companies by the Insurance Commissioner of the State. Texas ['03 p.249] proposed an amendment to her constitution authorizing the Legislature to pass a general banking act.

Savings Banks.

In his message to the Legislature, Governor La Follette of Wisconsin called attention to a complaint that had been made to the effect that the laws of the State discouraged the establishment of Savings banks, and as an indication of the justice of such complaint referred to the fact that only one such institution existed in the State. In order to remedy this condition of things the Legislature incorporated in the general banking act a chapter on mutual Savings banks. It provides in the usual manner for organizing such institutions; forbids any compensation to be paid to officers except the president and treasurer, of whom the former is to receive not more than $500 when the deposits exceed $500,000; limits the amount of money which can be deposited in any one year in the name of one person to $1,000; prescribes that the funds of these banks are to be invested, not exceeding one-half, in bonds of the United States, Ohio, Indiana, Michigan, Illinois, Iowa, Wisconsin, Minnesota, or in the authorized bonds of any incorporated city, village, town, county or school district in these States, or in first mortgage bonds of any railroad company which has paid annual dividends of not less than four per cent. regularly on its entire capital stock for a period of at least five years next preceding the investment. All the other loans must be secured by mortgages on unencumbered real estate located in the above mentioned States, such loans not in any case to exceed sixty per cent. of the value of the property as determined by a majority of the members of the finance committee. Section 20 requires that a reserve of at least five per cent. of the total deposits shall be kept on hand or on deposit in approved reserve banks.

Minnesota ['03 ch.328] and Wyoming ['03 ch.50] amended those sections of their banking acts which pertain to the form in which Savings banks may invest their funds. The details of these provisions are not of sufficient importance to call for description here. Maine ['03 ch.106] raised

the reserve requirement for her Savings banks from five per cent. to ten per cent. of the deposits.

Loan and Trust Companies.

The business of loan and trust companies branches out in so many directions, and is so comprehensive and miscellaneous, that it is extremely difficult to describe it in short space or to prescribe uniform regulations for it. The statutes pertaining to these institutions devote a great deal of space to the enumeration of their powers and privileges. The tendency at the present time seems to be toward making that enumeration as complete and comprehensive as possible, the States which legislated earliest on this subject having found it necessary to amend their statutes, usually in the direction of enlarging or adding to the powers already granted. The three general acts passed in 1903, Arkansas [ch.135], New Mexico [ch.52] and Washington [ch.176], indicate that these institutions are everywhere developing along about the same lines and that a considerable degree of legislative uniformity has already been attained.

The powers enumerated in these three statutes are in the main the same, that of Washington, however, being the most detailed and comprehensive. In all three these companies are permitted to receive moneys in trust to be accumulated at interest; to accept and execute trusts, and to perform other duties committed to them by courts; to hold real or personal estate in trust; to act as agents for investing money, and for issuing, registering, transferring or countersigning stock and bonds for public and private corporations; to execute trusts and act as agents for married women; to act as administrators, guardians and curators; to lend money on real estate or collateral security; and to buy and sell all kinds of securities. In addition, Arkansas and New Mexico permit such companies to act as guarantors on bonds and to conduct a fidelity and title insurance business. New Mexico and Washington specially confer the right to own and control safety vaults and to rent boxes therein, and Washington adds to the other powers enumerated that of acting as fiscal or transfer agent of any State, municipality, body politic or corporation, to act as assignee, trustee or receiver in any assignment for the benefit of creditors, to discount and negotiate promissory notes, drafts, bills of exchange, and other evidences of debt, to buy and sell exchange, coin and bullion, and to receive money on deposit subject to check.

In view of recent developments in New York city, perhaps the most significant fact in enumerating the powers of trust companies is the permission, often granted specifically and more frequently by implication, to do a commercial banking business. In such cases these institutions become competitors of other banking institutions, and the question of the safeguards thrown about this branch of their business becomes important. The Arkansas statute accomplishes this end by providing that trust companies shall be subject to the general banking laws of the State in all respects except where special exceptions are made in the trust company act. The provisions in the New Mexico statute which safeguard the banking business are: the requirement that a surplus of twenty per cent. of its capital stock shall be accumulated; that not more than twenty per cent. of the capital of the institution shall be loaned to any one person, corporation or firm, and not more than ten per cent. to any officer, director or employee; that a reserve of fifteen per cent. of all liabilities, not covered by securities on deposit with the auditor, shall be kept, forty per cent. in cash on hand and sixty per cent. in balances due from other banks; and that reports must be made to the auditor, who also has the right to make examinations. The Washington statute makes stockholders liable for the debts of the institution to the amount of the par value of their stock, subjects these institutions to inspection by the secretary of state, and requires them to make to him not less than two reports a year.

Provisions Relating to Capital.

The capital requirements imposed by these three statutes are very different. The smallest capital permitted in Arkansas is $50,000. In coun-

ties with a population between 40,000 and 50,000 the minimum is $75,000, and in counties whose population exceeds 50,000, $100,000. In New Mexico the minimum capital is fixed at $250,000, of which $100,000 must be paid in in cash. In Washington the minimum capital is fixed at $25,000 for institutions located in cities of less than 10,000 inhabitants, at $50,000 for those in cities with a population between 10,000 and 25,000, and at $100,000 in all other towns.

Various amendments to previously existing laws were passed in many States during 1903. These are of a miscellaneous character and require brief description only. Those of Vermont ['02 ch.72] and Arizona ['03 ch.31] extend the power of companies in their respective States by permitting them to act in a fiduciary capacity as executors, guardians, trustees, etc. Tennessee ['03 ch.77] gives this power not only to trust companies, but also to Savings banks and safe deposit companies in counties having not less than 60,000 nor more than 90,000 inhabitants and having a paid-up capital of at least $100,000. Wyoming ['03 ch.50] amended her statute so as to permit trust companies to engage in a commercial banking business. The amendment provides that such companies shall keep twenty-five per cent. of their deposits on hand as a reserve, which, however, may be deposited in State and National banks. Wyoming, in the amendment just mentioned, Minnesota ['03 ch.273] and New York ['03 ch.160] modify slightly the provisions of their laws relative to the investments of these companies.

A PROSPEROUS MISSISSIPPI BANK.

The First Natchez Bank, of Natchez, Miss., has had a prosperous career from the time of its organization in 1887 as the First National Bank, of Natchez. In 1895 a reorganization was effected under the State banking system of Mississippi. Mr. A. G. Campbell, who is well-known, not only in his own State, but by bankers generally throughout the country, organized the bank, and all the other officers have worked their way up from clerkships.

During the existence of the institution it has paid $200,000 in dividends, and accumulated $175,000 surplus, $100,000 of which was used in increasing the capital from $100,000 to $250,000.

Measured by its return to shareholders, the First Natchez Bank has been a success, and it has not only paid its shareholders well, but has looked to the needs of its depositors by adding $150,000 to the capital and maintaining a strong surplus. Deposits of the bank at the end of December were $1,328,309.

Mr. Campbell organized the bank and acted as Cashier until 1890, when he was elected President. The other officers are: Vice-Presidents, R. Lee Wood and Sim H. Lowenburg; Cashier, G. S. Pintard; Assistant Cashier, H. M. Gaither.

New Counterfeit $10 United States ("Buffalo") Note.—Series of 1901; check letter C; face plate No. 195; back plate No. 703; J. W. Lyons, Register of the Treasury; E. H. Roberts, Treasurer. The number of the note under inspection is 30959735, and is printed on a single piece of medium quality bond paper. There are no pieces of adhering fibre, but there are green streaks in imitation of fibre in the white panels on the back of the note. It is a photomechanical production. The lathe work is generally very defective. The black ink with which the note is printed has a gloss, and has flaked off in spots. The back of the note is printed in a peculiar shade of light yellowish green.

Likes the Magazine.—M. R. McLean, Cashier of the Farmers' State Bank, Wellington, Kans., writes under date of January 13: "I am a subscriber for The Bankers' Magazine, and take much pleasure in reading its contents each month."

AGRICULTURE AS A SOURCE OF NATIONAL WEALTH.

[From the Annual Report of the Secretary of Agriculture.]

Favored with continued prosperity in 1904, the farming element of the people has laid broader, deeper, and more substantial the foundations of a magnificent agriculture. These happy results have augmented the similar ones of 1903, so that a period of some industrial depression during the last two years has been saved by the farmers from the severer conditions that must otherwise have befallen in consequence of the absorption of a large portion of the readily convertible capital of the non-agricultural classes into great and prevalent speculations. Thus it has happened the farms of the nation have been that sustaining power upon which a basic dependence must be placed in all stresses by a people endeavoring to maintain economic self-sufficiency.

Wealth Produced by Farmers.

As great as the financial successes of agriculture were in 1903, hitherto without equal, those of 1904 advanced somewhat beyond them. While some products have fallen behind in value others have more than filled the deficit, and the general result is that the farmers have produced in value much more wealth than they ever did before in one year.

One conspicuous item that has contributed to this is the corn crop. With a quantity closely approaching 2½ billions of bushels, near the record crop of 1902, the high price of this year gives this crop a farm value much greater than it ever had before, far exceeding a billion dollars. With this crop the farmers could pay the National debt and the interest thereon for one year, and still have enough left to pay the expenses of the National Government for a large fraction of a year. The cotton crop, including seed, became the second one in value in 1903, and remains so in 1904. It is now too early to state even with approximate accuracy what the farm value of this crop is, but indications are that the farm value of lint and seed must reach $600,000,000. In this case, as in the case of all other statements herein made concerning crop values for 1904, it must be borne in mind that the amounts have not been finally determined by the Department, that the figures may be considerably changed when the annual estimate is made in the usual way, and that the values are at the farm, and are not commercial values at the exchange or anywhere else.

Hay and wheat are contending for the third place in point of value, although for many years one or the other has held second place or been next to corn. It is expected that these crops, hay and wheat, will together be worth on the farm this year nearly as much as the corn crop, or appreciably more than one billion dollars. Although the wheat crop has a considerably lower production than in any year since 1900, the farm value per bushel is higher than at any time since 1881, so that this is undoubtedly, by a considerable margin, the most valuable crop of wheat ever raised in this country.

It now seems probable that potatoes and barley reached their highest production in 1904; that the oat crop was never so large by 60,000,000 bushels, except in 1902; and that more rice was produced than in any previous year by toward 300,000,000 pounds, so that the present crop of rice has a commercial estimate of 900,000,000 pounds.

The principal crops that are valued annually by the Department or by commercial houses have an aggregate farm value this year which at the date of this writing apparently amounts to $3,583,339,609. The same crops in 1903, as finally estimated, had a farm value of $3,156,099,392 and had a

census value for 1899 of $2,526,345,478. In these principal crops, therefore, the farmers find an increase in value for 1904 of 14 per cent. over 1903 and of 42 per cent. over the census year five years ago.

On account of the difficulty of estimating the present number and value of farm live stock, it must be sufficient to compare the farm equipment in this respect at the beginning of the calendar year as determined by this Department with similar statements made for 1903. Farm horses have increased slightly in number and more in value, and in the aggregate they never were so valuable as in 1904, with a total of $1,136,940,298. The value of farm mules also reached its highest point in 1904, $217,532,832. Cattle have declined a little in number and more in value, and the same is true with regard to sheep and hogs; but the steady advance of poultry in number and in the quantity and value of products leads to some astonishing values for 1904 when the census rations of increase from 1890 to 1900 are extended to the present year. The farmers' hens are now producing 1 2-3 billions of dozens of eggs yearly, and these hens during their busy season lay enough eggs in two weeks, at the high prices of eggs that have prevailed during the year, to pay the year's interest on the national debt.

Unthinkable Aggregates.

After a laborious and careful estimate of the value of the products of the farm during 1904, made within the census scope, it is safe to place this amount at $4,900,000,000, after excluding the value of farm crops fed to live stock in order to avoid duplication of values. A similar estimate made for 1903 gives $4,480,000,000, and the census total for 1899 is $3,742,000,000. It is by no means to be admitted that these figures represent fully the value of the wealth produced on farms. Within the limits of ascertainable values, the farms of 1904 produced an aggregate wealth with a farm valuation that was 9.65 per cent. above the product of 1903, and 31.28 per cent. above the figures for the census year 1899.

An occupation that has produced such an unthinkable value as one aggregating nearly $5,000,000,0000 within a year may be better measured by some comparisons. All of the gold mines of the entire world have not produced since Columbus discovered America a greater value of gold than the farmers of this country have produced in wealth in two years; this year's product is over six times the amount of the capital stock of all national banks; it comes within three-fourths of a billion dollars of equaling the value of the manufactures of 1900, less the cost of materials used; it is twice the sum of our exports and imports for a year; it is two and a half times the gross earnings from the operations of the railways; it is three and a half times the value of all minerals produced in this country, including coal, iron ore, gold, silver, and quarried stone.

Foreign Trade.

In the exportation of their surplus during the year ending June 30, 1904, the farmers of the country kept well up to the high level of recent years. The average annual value of the exports of farm products during the five years 1899-1903 was $864,930,137, and the value for 1904 was but little below, or $859,170,582. The year 1904 was exceeded by only two years, 1903 and 1901, in the value of exported farm products.

On the other hand, the imports of farm products for the fiscal year 1904 were higher in value than ever before, this value being $462,384,570, leaving an apparent balance of trade in farm products in favor of this country of $396,786,012, or the lowest balance in these products since 1897. The balance declined $25,495,220 in 1904. This is accounted for on the side of imports mostly by increases in the imports of coffee, wool, tea, cocoa, and chocolate; and on the side of exports it is accounted for principally by a decrease of over $72,000,000 in the value of exported grain and grain products which was not balanced by an increase of about $55,000,000 in the value of exported cotton.

During the last fifteen years the apparent balance of trade in favor of this country, all articles considered, was $4,384,574,143. This was owing entirely to the balance of trade in farm products, which during the same time

amounted to $5,202,551,016, and was large enough to leave the above-mentioned balance of trade after sustaining adverse balances in products other than those of the farm, amounting to $817,976,693.

Increase of Farm Capital.

The subject of the achievements and financial condition of the farming population may be pursued farther. While the farmers have been increasing their annual product of wealth since 1899 from great proportions to still greater ones, the value of their farm property has gone on increasing. Ratios of increase from the last three censuses indicate that since 1900 the farm lands with improvements, including buildings, have increased in value 1 2-3 billions of dollars; the implements and machnery, over $100,000,000; the principal classes of live stock (corrected by the Department's information), $240,000,000. Hence the apparent total of the increase in the value of farms and farm property within four years amounts to about $2,000,000,000, a total that seems to be under the fact, since it does not recognize the marked increase in cotton, corn, wheat, and other lands with high crop values during the last two years. The cotton crop brought to planters not merely an increased price per pound, but it at once made cotton lands more valuable to the extent of several dollars per acre, according to numerous reports received by the Department.

Evidence of the Banks.

The improved financial condition of the farmer is indicated expressively by deposits in banks in several States in which there is so little manufacturing and mining that the conditions are chiefly created by agriculture. The three agricultural States—Iowa, Kansas, and Mississippi—may be selected for a comparison with the United States as a whole. Individual deposits in the National banks of Iowa increased from June 30, 1896, to October 31, 1904, 137 per cent.; Kansas, 212 per cent.; Mississippi, 286 per cent.; the United States, 92 per cent., or much below the increases of the States named. In the State and private banks deposits during this time increased 128 per cent. in Iowa, 227 per cent. in Kansas, 306 per cent. in Mississippi, and 185 per cent. in the United States. In the savings banks of Iowa the increase in deposits was 215 per cent., as compared with 53 per cent. for the United States. All kinds of banks being combined, the deposits increased 164 per cent. in Iowa, 219 per cent. in Kansas, 301 per cent. in Mississippi, and 91 per cent. in the United States.

A similar comparison favorable to the agricultural States may be made with regard to the number of depositors. In the savings banks of Iowa the number of depositors increased 209 per cent. from 1896 to 1904, and in the United States 36 per cent. For National banks, comparison may be made between highly industrial and agricultural States as follows: The number of depositors increased from 1889 to 1903 by 145 per cent. in Massachusetts, 117 per cent. in New York, 258 per cent. in Kansas, and 263 per cent. in Mississippi. The increase in Iowa was 184 per cent., the low figure being accounted for by the large development of savings banking.

The Comptroller of the Currency has ascertained the average amount of the daily deposits in National banks, and from his statement it appears that the average daily deposits in October in the National banks of Kansas increased 625 per cent. from 1889 to 1903, in Iowa 105 per cent., in Mississippi 89 per cent., in Massachusetts 106 per cent., and in New York 207 per cent.

The farmers' rate of financial progress, as evidenced by the foregoing statements, need fear no comparison with that of any other class of producers. The farmer may not become a millionaire, but he is surer than the millionaire to retain his wealth and to have independence in living.

General Diffusion of Well-Being.

The diffusion of well-being among farmers throughout all parts of the country is one of the most conspicuous features of the recent agricultural development. This attracted attention a year ago and is now even more

noticeable; because the great South is more especially enjoying this growth of well-being, owing to the enhanced value of the cotton crop in addition to the general progress in agriculture. The Eastern farmer, who was long on the verge of bankruptcy in competition with the virgin soil and rapid expansion of the northern half of the Mississippi River Valley, has survived that competition and now enjoys more normal conditions, owing to the creation and maintenance of many large near-by markets by many varied industries. The Pacific Coast has long been prosperous with its world-famed specialties; the mountain States are glad with the fruits and promises of irrigation; in the older prairie States the farmer has seen his land go from $1.25 an acre, or from a homestead gift, to $100 and $150; and the "Great American Desert," as it was called when it was nothing but a buffalo range, is now peopled by a progressive race of farmers, whose banks are filled to overflowing with the proceeds of their products.

The Russian Labor Riots.—Exciting incidents like the recent labor uprisings in Russia create a sympathetic wave in nearly all parts of the world. While these outbreaks in Russia have been connected with workingmen's strikes, they are more or less of a political and revolutionary character, and have been fomented for the purpose of overthrowing the present system of government. Although the uprising seems to have been subdued for the time being, it is not improbable that the troubles will break out afresh and with renewed violence.

In the United States neither the industrial situation nor the political system is open to any of the criticisms which have caused discontent in Russia. Freedom of speech and action is nowhere so little interfered with as here, and nowhere is labor so well paid. But nevertheless labor is far from being contented, and in the opinion of some whose imagination seems to outrun their judgment, there are signs of portentous omen in the skies, and these self-appointed augurs warns us of the grave crisis they see impending.

That part of the nervous system which by courtesy is called the brain in some individuals is liable to become overheated by events similar to those in Russia. Such inflamed minds find no difficulty in reproducing the same conditions here, although there is no substantial basis for them.

The rapid growth of wealth, and particularly of corporate wealth, in this country in recent years has created new problems, and has brought into sharp contrast the position of those who are very rich compared with those who are very poor. So far as these inequalities may be made to yield to legislative and judicial remedies, they will doubtless be corrected in time. Many of the ablest minds of the country are studying these questions and diligently seeking for a wise solution of them. Fortunately, in this country there is no autocratic ruler to whom appeal must be made, but only the common sense of a sound public opinion need be invoked.

The troubles in Russia are hardly an argument in favor of government ownership of industries, for that country has been for years gradually monopolizing the national industries, and the result has certainly not been a happy one in this particular case.

New York Savings Bank Tax.—The tax on the surplus and undivided profits of Savings banks appears in its practical operation to be a tax upon the depositors, and is, therefore, contrary to the long established policy of the State to exempt from taxation the savings of those who make use of these banks. The amount of the tax is charged against the current earnings of the bank and is not taken from the surplus, and it is claimed that the bank is, therefore, unable to pay the same rate of interest to depositors as it would if the tax were not imposed. A reduction of the interest on these accounts is a hardship to those affected thereby, and I recommend the repeal of this tax. The receipts from this source for the past fiscal year were $720,000, and the revenue thus lost must be made up; but at the same time justice seems to demand that this tax be abolished and that some more equitable method of raising the amount be resorted to.—From the Annual Message of the Governor of New York.

AN OLD AND PROSPEROUS SOUTHERN BANK.

Among the financial institutions of the South none occupy a more prominent position than the Atlanta National Bank, of Atlanta, Ga., which was organized September 2, 1865.

Even in those early days the personnel of its officers and directors was of

CENTURY BUILDING—HOME OF THE ATLANTA NATIONAL BANK.

the highest type of commercial integrity, the same high standard of financial ability having been maintained to the present day.

Of the original organization General Alfred Austell was elected President and W. H. Tuller, Cashier. General Austell retained the presidency of the bank until his death, which occurred December 7, 1881. Mr. Tuller resigned the position of Cashier on May 10, 1878, and Paul Romare was elected to the position. Paul Romare, the late President of the bank, was one of the

original stockholders and received the first deposit. He filled most acceptably every office from that of Assistant Cashier to that of President.

Upon the death of Mr. Romare, Chas. E. Currier, the popular Cashier, was elected to succeed him. Mr. Currier has been with the Atlanta National Bank nearly seventeen years, having been elected Cashier in 1878.

H. R. Bloodworth, the well-known Cashier, fills his position to the satisfaction of the officials and with credit to himself.

For many years the bank occupied its building at No. 15 East Alabama St., but this having been outgrown it removed to new and elegant quarters in the Century Building, corner Whitehall and Alabama Streets.

With a capital of $500,000, a surplus of $385,000, the Atlanta National Bank now has on deposit over $5,000,000.

This institution has had a continuous existence of thirty-nine years and stands among the largest, strongest and most successful banking institutions of the South.

WHY TRUST COMPANIES SUCCEED.—Some of the reasons why trust companies have succeeded are stated in the following extract from an article by George W. Young, President of the United States Mortgage and Trust Company, New York city, published in the "New York Times" Annual Financial Review:

"The trust company owes its success to the fact that it meets perhaps more completely than any other institution the modern requirements of the community and at the same time is a beneficent factor as the conservator of wealth and estates. Its progress within recent years, not alone in New York, but throughout the country, has been such as to show that it is in accord with the progressive spirit of the times. Its growth, moreover, has been natural. Twenty years ago there were less than one hundred trust companies in the United States. To-day there are over 1,000, with resources in excess of $3,000,000,000.

While the functions of trust companies and National banks differ, their interests are identical and co-ordinate. If differences arise between them they should be considered, not in a spirit of hostility, but of fairness and with due respect for the rights of honest competition.

Another reason for the remarkable growth of trust companies may be found in the fact that the ablest financiers and bankers are attracted to the administrative offices. The high character of the officials who to-day occupy the executive positions in the foremost trust companies is perhaps their most valuable asset.

That the Federal authorities should devote special consideration to trust companies is not surprising in view of their relative importance in the financial fabric of the city and country. Secretary of the Treasury Shaw in his recent report dwells upon the advisability of extending Federal supervision to trust companies. Although the time may come when Federal jurisdiction may be advantageous the present status of the trust company is such that the best safeguards are provided by the application of the State machinery.

At the recent meeting of the trust company section of the American Bankers' Association in this city a committee was empowered to bring about greater uniformity in the laws applying to State supervision for trust companies. That this is the more effective at the present time seems beyond question.

If legislation is deemed necessary, requiring trust companies to maintain a reserve the matter should be fairly treated, and due consideration exercised in applying the principle of cash reserves to only such deposits as are active and subject to demand.

It is for the purpose of bringing intelligent discrimination and fair discussion to bear upon these subjects that the Trust Companies' Association of the State of New York has been organized."

AN OLD ESTABLISHED BANKING FIRM.

The firm of F. Groos & Co. was established at Eagle Pass, Texas, in November, 1854, and continued there, doing a general mercantile business, until the breaking out of the Civil War.

During the war the firm was principally engaged in the forwarding of cotton at Piedgras Negras, now Ciudad Porfirio Diaz, Mex., opposite Eagle Pass, cotton going to Matamoras, Mex., by ox-carts or mule-wagons, thence

FREDERICK GROOS,

Founder and now head of the firm of F. Groos & Co.

to be shipped by neutral vessels to Europe. Matamoras, before scarcely known to the outside world, suddenly became a great commercial place, being the most convenient point from which to export Texas cotton. The number of foreigners, who had come from all parts of the globe, sometimes exceeded the native population.

Including the Mexican import duty, it cost about ten cents a pound in those times (no railroads being built till years after) to take cotton from Texas to Matamoras, and cotton, while cheap in Texas, was sometimes worth forty or even fifty cents at Matamoras, and as high as thirty pence at Liverpool.

In 1866 the firm commenced a general mercantile business in San

Antonio, Texas, changing its business to that of private bankers in 1874, also at San Antonio, where it has continued to this day.

It has seen big changes during its history, the country becoming more and more settled, on account of the railroads. In the fifties there were trails only and a population so widely scattered that it was a hard matter to transport money. Silver was largely used and kept in $2,000 boxes with iron hoops, so heavy as to make it a hard matter for any one to carry them off. The rate of exchange on New York after the war was usually two per cent.

Southwest Texas is to-day a fairly well settled community, with great prospects. Land is cheap and farming possibilities are developing more and more.

Of the old partners of the firm Frederick, Carl and Gustav Groos, Frederick, the original founder, still survives as active head. Mrs. Hulda Groos, widow of Carl, completes the present firm.

Our Faulty Monetary System.—We are going ahead heedlessly under a monetary system which, when conditions change, as they naturally will, renders the drawing upon our gold stock an easy matter whenever it may suit the convenience of any foreign money centre. There still remain in foreign hands sufficient of our securities to make it possible to deplete us of a very large part of our enormous stock of gold and disturb our current system should a concerted selling movement set in abroad. We have the clumsiest system of checking exports of gold of any civilized nation, a system which frequently will not work when most needed. Is further education in this line not very important?

Despite the fact that seven years ago the great preponderance of intelligent opinion unqualifiedly condemned the continued use of "greenbacks" as legal tender money, we persist in the practice, just as if our own disastrous experiences, added to those of almost every other nation that has experimented with Government notes, had taught us nothing.

Are we so self-satisfied that we cannot learn the lesson of the futility of regarding such currency safe until we have further costly money panics? It is practically certain that the same results which followed former depressions in business will again come upon us when another period of poor crops and hard times arrives; and Mr. Bryan is prepared to utilize the opportunity afforded by such an event to make political capital out of it in favor of more "rag money."

We seem to be contented with a bank-note system totally incompatible with the proper conception of the needs of a great financial nation—a system which has the ludicrous habit of expanding the volume of money when interest rates are lowest and contracting it when highest. Thus the volume of paper currency is dependent not upon the law of demand and supply of money, but upon the speculative margin in the trading in Government bonds. Ought we not to show the world that we really know something better than this? Or shall we continue to be regarded as lacking intelligence because political exigency appears to dictate that we must "stand pat" on the subject, no matter how ridiculous the system and our exhibition of ourselves in the eyes of the world?

We continue to maintain a banking system which compels a large portion of our population to submit to onerous interest charges, subjecting their trade and industry to an unjust tax, retarding the normal development of the sections in which they live and work by an unequal distribution of facilities. These inequitable results are brought about by the existing law, which encourages the practice of accumulating in the financial institutions in the money centres the currency from those in the rest of the country, leaving the latter inadequately supplied, and in consequence of this the money congested in the centres must be loaned out at rates far below what should be its normal value, stimulating speculation and inviting disaster in the stock market.—Maurice L. Muhleman in *New York Times* Annual Financial Review.

HIGH GRADE BANK AND OFFICE FIXTURES AND FURNITURE.

Tasteful and substantial furniture, adapted to the required uses, is an important factor in the success of a bank. This is being recognized by progressive bankers, who are exercising an increased degree of care in fitting up their banking rooms, not with the showiest furniture, but with the best.

The A. H. Andrews Co., of Chicago, has had forty years' experience in the manufacture of bank and office furniture, and the experience and skill attained in this line enable the company to turn out a superior product. The company's factory is perhaps the largest of its kind in the world, and is equipped with everything necessary to the manufacture of high-grade desks and fixtures. Half of the plant is devoted to the manufacture of furniture

FACTORY OF THE A. H. ANDREWS CO., CHICAGO.

for banks, offices, etc., and the other half to making school furniture and supplies and opera chairs and church furniture. Over 700 skilled workmen are employed in the factory, and there are agents representing the company all over the country.

The business of the company was established in 1865, by A. H. Andrews, and in 1884 was incorporated with Mr. Andrews as President. How successful the enterprise has been is indicated by the fact that the business now extends to every State, and that over 5,000 banks have been equipped by the A. H. Andrews Company. The Andrews desks have acquired a high reputation for their design and finish and the care exercised in selecting the materials used. It is the aim of the company to produce only the best that skill and experience can supply, and the location of the factory and the knowledge gained in the many years the company has been operating make it possible to fix prices at the most reasonable figure consistent with the high grade of workmanship and materials employed.

The contract for furnishing the equipment of the new Chicago Post Office was recently awarded to the A. H. Andrews Company.

Besides the desks and other kinds of furniture made of wood, the company's plant is fully equipped to manufacture bank and office fixtures in brass, bronze and marble.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The annual statement of the Fidelity and Casualty Company for the year ending December 31, 1904, shows total net cash received for premiums, $5,210,828.38, which added to income from other sources gives a total revenue of $5,474,474.72 for the year. Disbursements for all purposes amounted to $4,989,896.68, making the excess of earnings, $484,578.04.

Total assets of the company are $6,667,549.09, and the surplus over all liabilities, $1,581,268.17. The surplus as regards policy-holders is $2,081,268.17.

An inspection of the schedule of securities owned by the company shows that its funds are carefully invested, while the figures given above indicate a healthful growth.

—On January 10 a certificate was filed with the Secretary of State authorizing the New York Security and Trust Co. to change its title on March 1 to the New York Trust Co.

—Wm. Darrow, Jr., has been made third Vice-President of the Lincoln Trust Co.—a newly created office. Frederick Phillips succeeds Mr. Darrow as Secretary, and J. Z. Bray was chosen Assistant Secretary.

—Augustus C. Corby was recently elected Cashier of the National Shoe and Leather Bank, in place of John A. Hiltner, deceased. Henry Ollesheimer was elected first Vice-President and G. B. Sayres second Vice-President.

—The National Surety Co. on December 31, 1904, had total assets of $1,928,757, and a net surplus of $309,912. This does not allow for reinsurance in companies not qualified in New York State and premiums over three months due, which would increase the surplus to $360,830. The total unearned premiums as figured under the New York State law are $574,007, and besides the company has a contingent reserve or voluntary safety fund of $250,000.

During the past year the National Surety's total cash income was $1,091,100, and with increase in assets aggregated $1,168,881. During the same period the total disbursements were $843,836, leaving a balance or excess of income over expenditure of $325,045. This was distributed as follows: To reserve for losses, $35,073; to unearned premiums, $116,797; to contingent reserve, $50,000; and to surplus account, $123,174.

The total net premiums written during the year were $1,082,641, an increase of $191,794; the expenses of transacting business were $556,414, an increase of $63,612. The losses incurred amounted to $322,495, an increase of $41,670. The ratio of management expenses to premiums written was 51.4 per cent., a decrease of 4 per cent. The ratio of losses incurred to premiums written was 29.8 per cent., a decrease of 1.7 per cent.

The National Surety Company was, during 1904, put under a new President, William B. Joyce, who has practically reorganized its business, placing it on a far better footing than it ever has been before, and giving it bright prospects for the future.

—The Yorkville Bank will soon erect a new building at Eighty-fifth street and Third avenue, on a site which includes its present quarters and an adjoining lot, giving a plot 50 x 100. The new building will contain safe deposit vaults. The bank's temporary office will be in the Vondel building, Eighty-third street and Third avenue.

—The report of the Knickerbocker Trust Company for 1904 shows a material increase of business over the preceding year. The present deposits aggregate more than $55,300,000, showing an increase for the year of $21,500,000. The statement shows resources and liabilities of more than $59,300,000, an increase of $22,000,000. By reason of a change in dividend date, three semi-annual dividends aggregating $550,000 have been paid from the net earnings of $674,537.44 for the year ending January 1, 1905, and the difference, $124,537.44, added to undivided profits.

—On February 1 the City Bank Commission (the Mayor, Comptroller and City Chamberlain) added these banks to the list of city depositories: Inter-

borough, Battery Park National, Oriental, Bowery Branch, Aetna National and National Butchers and Drovers'. The interest rate was fixed at two per cent.

—The Standard Bank of South Africa (Limited), whose head office is in London, has opened an agency at 40 Wall street, with W. Macintyre as agent.

—Archibald G. Loomis, Vice-President of the National City Bank, resigned his office January 12, and the resignation was accepted.

—Negotiations are in progress for merging the North American Trust Co. and the Trust Company of America.

—At the annual meeting of the shareholders of the American Bank Note Company, January 20, President E. C. Converse reported that the past year was the most prosperous in the history of the company, which was organized in 1795. It has engraved seventy-five per cent. of the securities listed on the Stock Exchange, and will engrave the new Japanese bonds. The quarterly dividend of fifty cents per share will be declared by the directors in March next, making, with extra dividends, about $3 per share per year. The retiring directors were re-elected, and also the following officers: Chairman, E. C. Converse; president, Theodore H. Freeland; first vice-president, Warren L. Green; second vice-president, Jared K. Myers; secretary and treasurer, John E. Currier; assistant treasurer, F. R. Myers.

—The annual banquet of New York Chapter, American Institute of Bank Clerks, was held at the Hotel Astor on the evening of February 8. Addresses were made by W. E. Stevens, for New York Chapter, with Bowery Savings Bank; Rev. Donald Sage Mackay, Pastor Collegiate Church; Chancellor Henry M. MacCracken, New York University; Gen. Thos. L. James, President Lincoln National Bank; George Gordon Battle, LL.D., Ex-Assistant District Attorney, New York city.

NEW ENGLAND STATES.

Worcester, Mass.—The Merchants' National Bank of Worcester has been organized with a capital stock of $500,000 and a surplus of $250,000. The directors are Judge William T. Forbes, Dr. Homer Gage, George C. Whitney, Richard Healy, Charles L. Allen, Henry E. Whitcomb, Richard C. Cleveland, Oliver B. Wood and Frank A. Drury of Worcester; George A. Draper of Hopedale, Harry T. Whitin of Northbridge and John A. Hall of Southbridge.

Business was begun February 1st in the old Central National Bank building at 452 Main street.

MIDDLE STATES.

Dansville, N. Y.—On January 11 the Merchants and Farmers' National Bank reported surplus and undivided profits of $13,797, compared with $3,274 on February 13, 1900. Deposits now amount to $108,674, and total resources $184,694.

Batavia, N. Y.—George F. Bigelow was elected Cashier of the First National Bank at the annual meeting, and J. P. Hoeltzel was elected Assistant Cashier. Mr. Bigelow, who succeeds his father, the late Jerome L. Bigelow, as Cashier, has been with the bank for fifteen years and has worked his way up through the minor positions. Mr. Hoeltzel, the new Assistant Cashier, has been with the First National Bank for ten years.

Pittsburg, Pa.—The Mellon National Bank has increased its capital from $2,000,000 to $4,000,000, the new stock being taken by the Union Trust Co. This increase will enable the bank to handle larger loans than has heretofore been possible, and as the bank carries the accounts of a number of very large corporations, the increase of capital was found advisable. The Mellon National now has the largest capital of any National bank in Pennsylvania, and is exceeded by only about half a dozen in the United States.

Albany, N. Y.—By the will of Mrs. Mary T. De Forest, late of De Freestville, town of North Greenbush, Rensselaer County, John J. Gallogly, Cashier of the National Exchange Bank of Albany, has inherited the homestead farm, and as one of two residuary legatees designated by Mrs. De Forest in her final statement he will get about $150,000 in personal property.

Mr. Gallogly also has been designated as one of the executors. Mrs. De Forest was eighty-two years old, and her generosity to Mr. Gallogly was in recognition of kindly acts on her visits to the bank.

SOUTHERN STATES.

Atlanta, Ga.—The Trust Company of Georgia will increase its capital from $250,000 to $500,000.

—For convenience and brevity, the title of the Neal Loan and Banking Company has been changed to the Neal Bank. There is no other change, except in the name.

New Banks in Mississippi.—A dispatch from Jackson, Miss., says that the records in the office of the Secretary of State show that during the past year there have been chartered and organized in Mississippi fifty-eight banks, with

an aggregate capital stock of $2,410,000, and in addition to this banks already established have increased their capital stock to the amount of $182,000, making a total increase in the banking stock of the State for 1904 of $2,595,000, which surpasses by large figures any record ever made during an equal period.

Baton Rouge, La.—The Bank of Baton Rouge, in its statement of December 31, shows total resources $1,073,044. This bank has been in existence since 1889 and each successive report published has shown a steady gain. Since its organization in June, 1889, it has declared twenty-three dividends amounting to $62,500 and claims the distinction of having more surplus and undivided profits than all the banks in Baton Rouge combined. It has $50,000 paid-in capital, $285,341 earned surplus and profits, and $707,627 deposits. The officers of the Bank of Baton Rouge are: President, Wm. J. Knox; Vice-President, O. B. Steele; Cashier, Jos. Gebelin.

Gulf & Ship Island Railroad.—During the six months ended December 31, 1904, the lumber exports from Gulfport, Miss., amounted to over 116,000,000 feet, as compared with 66,000,000 during the last six months of 1903. Other exports included 78,000 barrels of rosin and turpentine, in which the export business has been developed entirely in the current year. Imports consisted of 3,000 tons of acid phosphate and about 6,000 tons of iron pyrites.

Macon, Ga.—Cashier L. P. Hillyer, of the American National Bank, reports that in the past year his bank added $700,000 to its individual deposits. The bank reports a good sale for the American Bankers' form of money orders.

Jacksonville, Fla.—The statement of the Atlantic National Bank, made to the Comptroller of the Currency, January 11, shows: Capital, $350,000; surplus, $50,000; undivided profits, $41,300; deposits, $2,540,251. The latter item a year ago was $1,431,885, showing a gratifying rate of gain.

The Atlantic National has the largest capital of any National bank in the State of Florida and is thoroughly equipped for the transaction of all branches of legitimate banking. Edward W. Lane is President, F. W. Hoyt, Vice-President, and Thos. P. Denham, Cashier.

Louisiana State Banks.—L. E. Thomas, State Examiner of State Banks, sends the Magazine the following statement of the condition of the 131 State banks, Savings banks and Trust Companies of Louisiana on December 22, 1904:

RESOURCES.	
Demand loans	$13,909,932
Loans secured by mortgage	5,527,350
Other loans and discounts	24,149,076
Overdrafts secured	2,467,103
Overdrafts unsecured	506,596
Overdrafts due by directors of the bank	44,352
Overdrafts due by officers of the bank	35,475
United States bonds	5,000
Louisiana State bonds	278,002
Other bonds, stocks, securities, etc.	4,211,706
Banking house, furniture and fixtures	2,527,488
Other real estate owned	451,000
Due from banks and bankers	11,089,325
Checks for clearing-house	1,782,805
Checks and other cash items	226,464
Gold coin	236,599
Silver, nickel and copper coin	708,826
National bank notes and all issues United States Government	3,182,191
Suspense account	69,448
Total	$71,359,043

LIABILITIES.	
Capital stock paid in	$8,635,520
Surplus	4,605,769
Undivided profits, less expenses and taxes paid	1,479,078
Due to other banks and bankers	5,264,351
Dividends unpaid	57,123
Individual deposits bearing interest	13,182,064
Individual deposits not bearing interest	31,743,384
Certificates of deposit bearing interest	2,409,962
Certificates of deposit not bearing interest	108,685
Certified checks	261,620
Cashier's checks outstanding	60,539
Bills payable	2,946,729
Notes and bills rediscounted	538,452
Amount due to persons not included in foregoing	65,762
Total	$71,359,043

In his letter of January 12, accompanying the report, Mr. Thomas says:

"I have just completed the compiled statement of the 131 State banks of Louisiana under the last call, and take pleasure in sending you a copy of same. We have had twenty-six new State banks organized during 1904 and three National banks. We have not had a bank failure, either State or National, in four years. We had only two State banks cease business last year, and they consolidated with others. The banks owe less money than they did a year ago, and the deposits show an increase of more than fifteen per cent. notwithstanding the low price of cotton."

Shreveport, La.—The Shreveport National Bank and the Louisiana Bank and Trust Company have merged under the latter title, with $200,000 capital, $50,000 surplus and about $850,000 total resources. A new building will be erected for the use of the company.

Texas Banks Consolidate.—It is reported that the San Augustine National Bank and the First National Bank, of San Augustine, Tex., have consolidated under the latter title.

WESTERN STATES.

Chicago, Ill.—Ralph Van Vechten, Cashier of the Cedar Rapids (Iowa) National Bank, and treasurer of the American Bankers' Association, was recently elected second Vice-President of the Commercial National Bank, of Chicago. Mr. Van Vechten entered the Cedar Rapids National Bank in 1880, and was promoted to the office of Cashier in 1887.

N. R. Losch, formerly Assistant Cashier of the Commercial National Bank, has been elected Cashier, succeeding Joseph T. Talbert. H. E. Smith and Wm. T. Bruckner were made Assistant Cashiers.

Sioux City, Iowa.—It is announced that the City National Bank, capital $100,000, will be merged with the First National Bank, capital $200,000, giving the succeeding bank a capital of $300,000.

Cincinnati, Ohio.—The Lafayette National Bank has been merged with the First National Bank, the capital of the latter being increased to $5,000,000. President W. S. Rowe will continue as head of the First National. C. B. Wright, S. R. Burton and C. J. Stedman have been elected Vice-Presidents.

—The Cosmopolitan Bank, which opened for business about fifteen months ago at Freeman avenue and Oehler street, has done a good business from the start. It has $100,000 capital, $20,600 surplus and profits, and $637,000 individual deposits. Its officers are: President, Chas. E. Roth; Vice-President, Jacob Vogel, Jr.; Secretary and Treasurer, Wm. G. Meiners.

Decorah, Iowa.—The Winneshiek County State Bank was established as a private institution in 1855, and in its half-century has done a very large and profitable business. C. J. Weiser has been President for twenty-one years and E. W. D. Holway Vice-President for thirty-five years. The capital stock is $100,000, and to this $20,000 surplus has been added in the two years since the bank was incorporated.

Delphi, Ind.—Extensive improvements have been made in the banking rooms of the Citizens' National Bank, and also in the exterior of the building. Substantial modern equipments have been installed throughout.

Park River, No. Dak.—At the recent meeting of the directors of the Bank of Park River, C. D. Lord, who has been President of the bank since its establishment in 1886, was elected President; Assistant Cashier H. D. Whitefield was promoted to the position of Cashier, and Robert J. Holmes was chosen Assistant Cashier. W. S. Smith remains Vice-President.

The deposits of the bank on the dates named were: Jan. 11, 1890, $37,220; Jan. 11, 1895, $91,095; Jan. 11, 1900, $218,257; Jan. 11, 1905, $276,849.

On its capital stock of $30,000 it has paid out in the past fifteen years $44,400 in dividends, besides earning $20,000 surplus and profits.

Grand Rapids, Mich.—The old National Bank has been doing business over fifty years at its present location. J. M. Barnett, the President, has been a resident of Grand Rapids for forty-eight years, and Harvey J. Hollister, Vice-President, is one of the oldest bankers in the State in point of active service.

This bank, with $800,000 capital, $400,000 surplus and profits, and over $4,000,000 deposits, is one of the most progressive in Michigan.

Terre Haute, Ind.—The National State Bank, established in 1865, has been succeeded by the Terre Haute National with $300,000 capital, $30,000 surplus and profits and $650,000 deposits.

Indianapolis, Ind.—The Capital National Bank reports an increase of business, and in order to provide for its appropriate handling is making extensive improvements, greatly enlarging the available space, and putting in new steel vaults, safes and safety deposit boxes.

Council Bluffs, Iowa.—J. N. Casady, Jr. & Company have succeeded to the real estate loan business of J. P. & J. N. Casady, established here in 1853.

Fond du Lac, Wis.—The First National Bank recently completed a half century of successful business. It was established January 8, 1855, as the Bank of the Northwest, its first statement showing $25,000 capital and $8,912 deposits. Benjamin F. Moore was the first President, and Augustus G. Ruggles, Cashier. The present officers of the First National Bank are: President, J. B. Perry (who has been connected with the bank since its organization); Vice-Presidents, E. A. Carey and H. D. Hitt; Cashier, E. J. Perry. The capital is now $125,000, surplus $25,000, and deposits $1,001,485. Eighty semi-annual dividends have been paid, aggregating $376,875, and $300,000 has been paid as interest to depositors. Cashier Perry entered the bank fourteen years ago, and has gradually won promotion.

PACIFIC SLOPE.

San Francisco, Cal.—At the annual meeting of the San Francisco National Bank, January 10, F. W. Wolfe, who for seven years has held the position of Assistant Cashier, was elected Cashier. C. K. McIntosh, Assistant Cashier of the First National Bank, was elected a Vice-President of the San Francisco National, and will become an active member of the bank's staff.

—The Security Savings Bank now reports $4,230,379 deposits. This bank is putting up a fine building on Montgomery street, between Pine and California streets. It will be ready for occupancy about April 1.

—The Nevada National Bank and the Wells Fargo & Company Bank have agreed to merge under the title of the Wells Fargo Nevada Bank, with $6,000,000 capital and $3,500,000 surplus. It is reported that the officers and staffs of both banks will be retained. The combined assets will approximate $30,000,000.

—Homer S. King, President of the Wells Fargo & Company Bank, has been elected President of the Bank of California, to succeed the late William Alvord.

Salt Lake City, Utah.—The National Bank of the Republic has taken possession of its remodeled building, which is one of the notably beautiful and well arranged banking homes of the country. President Frank Knox, under whose direction the alterations have been made, has neglected nothing in the way of ornament and utility. These changes are in line with the progressive policy which has always guided the institution, bringing it up to an enviable position among the banks of the country in a comparatively short time.

GUARANTY TRUST COMPANY OF NEW YORK.

Even in this remarkable era of trust company growth there has probably been no parallel of the growth of the Guaranty Trust Company of New York, whose total assets have increased from $41,018,720.37 on De-

J. W. CASTLES, PRESIDENT GUARANTY TRUST COMPANY, NEW YORK.

cember 31, 1903, to $66,982,866.89 at the same date in 1904—a gain of $25,964,146.52. Deposits have increased $25,478,296.10 during the year.

A considerable share of this growth may be attributed to the capable and energetic management of J. W. Castles, who became Vice-President of the Company in the latter part of 1903, and President in April, 1904. He came to New York from New Orleans, where he had made an exceptionally favorable record as President of the Hibernia Bank and Trust Company, and he has not only duplicated his success here but enhanced his reputation for financial sagacity.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

Applications to Organize National Banks Approved.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

National Bank of West Liberty, West Liberty, Ky.; by W. D. Archibald, et al.
Dakota National Bank, Dickinson, N. D.; by W. L. Richards, et al.
Salem National Bank, Salem, N. Y.; by Charles A. Beattie, et al.
First National Bank, Kinston, N. C.; by Samuel Abbott, et al.
Citizens' National Bank, Guthrie Center, Iowa; by Jno. W. Foster, et al.
Franklin National Bank, Newark, Ohio; by W. A. Robbins, et al.
Fort Sutter National Bank, Sacramento, Cal.; by F. Ruhstaller, et al.
People's National Bank, Carbondale, Ill.; by F. T. Joyner, et al.
City National Bank, Belfast, Me.; by W. B. Swan, et al.
First National Bank, West Frankfort, Ill.; by W. H. Hart, et al.
Union National Bank, Columbus, Ohio; by W. S. Courtright, et al.
First National Bank, Goreville, Ill.; by C. H. Denison, et al.
First National Bank, Enosburg Falls, Vt.; by W. V. Phelps, et al.
First National Bank, Custer City, Okla.; by T. H. Lindley, et al.
First National Bank, Oakmont, Pa.; by Alexander Thomas, et al.
Merchants' National Bank, Worcester, Mass.; by Charles L. Allen, et al.
People's National Bank, Reynoldsville, Pa.; by W. B. Alexander, et al.
Edinboro National Bank, Edinboro, Pa.; by V. B. Billings, et al.
First National Bank, Bolivar, N. Y.; by R. L. Andrus, et al.
First National Bank, Jasper, Ala.; by J. H. Crawford, et al.
Peckville National Bank, Peckville, Pa.; by Frank Hemelright, et al.
Commercial National Bank, Salida, Colo.; by J. W. Calhoun, et al.
First National Bank, Albany, Ind.; by Thomas M. Eingate, et al.
First National Bank, Nicholson, Pa.; by G. G. Rought, et al.
Jewelers' National Bank, North Attleboro, Mass.; by F. E. Sargeant, et al.
Citizens' National Bank, Richmond, Ky.; by James Bennett, et al.
Arkansas Valley National Bank, Broken Arrow, I. T.; by Guy Bowman, et al.
National Bank of Flint, Flint, Mich.; by John J. Carton, et al.
First National Bank, Ulysses, Neb.; by Geo. Dobson, et al.
Nicholson National Bank, Nicholson, Pa.; by F. N. Boyle, et al.
Snyder National Bank, Snyder, Texas; by Arthur Yonge, et al.
German-American National Bank, Wahpeton, N. D.; by John P. Reeder, et al.
First National Bank, Utica, Ohio; by A. J. Wilson, et al.
Western National Bank, Enid, Oklahoma; by H. H. Champlin, et al.
Houghton National Bank, Houghton, Mich.; by James H. Seager, et al.
New Knox National Bank, Mt. Vernon, Ohio; by Dwight E. Sapp, et al.
National Bank of Jellico, Tenn.; by R. B. Baird, et al.
First National Bank, Somers, Iowa; by A. R. Daughenbaugh, et al.
National Bank of Logan, Logan, Ohio; by Charles E. Bowen, et al.
First National Bank, Fowler, Ohio; by F. M. Weiland, et al.
First National Bank, Percy, Ill.; by E. R. Hincke, et al.
City National Bank, Wagoner, I. T.; by W. B. Kane, et al.
First National Bank, Knox City, Tenn.; by W. H. Shelby, et al.
First National Bank, Hawley, Minn.; by B. E. Dalquist, et al.
First National Bank, Woodstock, Minn.; by E. W. Davies, et al.
First National Bank, Lovelock, Nev.; by R. G. Smith, et al.
Bethel National Bank, Bethel, Me.; by A. E. Herrick, et al.
First National Bank, Porter, I. T.; by J. P. Funk, et al.
First National Bank, Frankston, Texas; by J. H. Robinson, et al.
Farmers and Merchants' National Bank, Hanford, Cal.; by C. M. Cross, et al.
First National Bank, Harlem, Mont.; by W. E. French, et al.
First National Bank, Golden City, Mo.; by D. E. Ketcham, et al.
Garden City National Bank, Garden City, Kan.; by W. O. Horr, et al.
First National Bank, Konawa, I. T.; by W. R. Mershon, et al.
First National Bank, Ozark, Ala.; by J. D. Holman, et al.
American National Bank, Holdenville, I. T.; by L. C. Parmenter et al.
First National Bank, Adams, Minn.; by J. G. Schmidt, et al.

Application for Conversion to National Banks Approved.

Dakota State Bank, Dickinson, N. D.; into Dakota National Bank.
Bank of Commerce Co., Columbus, Ohio.; into National Bank of Commerce.

South River Bank, Waynesboro, Va.; into First National Bank.
Farmers & Merchants' State Bank, Blue Earth City, Minn.; into Farmers & Merchants' National Bank.
First State Bank, South Shore, S. D.; into First National Bank.
Glasco State Bank, Glasco, Kansas; into First National Bank.
Exchange Bank, Newburg, W. Va.; into First National Bank.
Union Bank, Greeley, Colo.; into Union National Bank.
State Bank & Trust Co., Jellico, Tenn.; into First National Bank.
Antlers' Bank & Trust Co., Antlers, I. T.; into First National Bank.

NATIONAL BANKS ORGANIZED.

7524—First National Bank, Bells, Texas; capital, $25,000; Pres., W. B. Blanton; Vice-Pres., C. R. Badgett; Cashier, S. D. Simpson; Asst. Cashier, J. K. Roddy.
7525—Iron County National Bank, Crystal Falls, Mich.; capital, $25,000; Pres., J. F. Corcoran; Vice-Pres., Chas. H. Watson; Asst. Cashier, James J. Gaffney.
7526—First National Bank, Preston, Idaho; capital, $25,000; Pres., James Pingree; Vice-Prests., Joseph Scowcroft and T. W. R. Nelson; Cashier, John C. Greaves.
7527—Davenport National Bank, Davenport, Wash.; capital, $100,000; Pres., A. Kuhn; Vice-Pres., D. M. Drumheller; Cashier, Martin McLean; Asst. Cashier, A. F. Lambert.
7528—People's National Bank, Economy, Pa.; capital, $50,000; Pres., F. G. Barker; Cashier, J. Sharon McDonald.
7529—First National Bank, Kerens, Texas; capital, $25,000; Pres., Travis Holland; Vice-Pres., T. S. Daniel; Cashier, W. S. Price.
7530—American National Bank, El Paso, Texas; capital, $200,000; Pres., A. P. Coles; Vice-Prests., W. J. Harris and T. M. Wingo; Cashier, Jno. M. Wyatt.
7531—Citizens' National Bank, Hot Springs, Ark.; capital, $100,000; Pres., J. A. Townsend; Vice-Prests., Joe. P. Eagle and David Beitler; Cashier, N. B. Sligh.
7532—First National Bank, Delphos, Kans.; capital, $25,000; Pres., W. W. Bowman; Cashier, H. C. Wones.
7533—First National Bank, Littleton, Colo.; capital, $25,000; Pres., Gordon Jones; Vice-Prests., J. D. Hill and Abe Howarth; Asst. Cashier, Casper Broemmel.
7534—First National Bank, Eagle Lake, Texas; capital, $25,000; Pres., Chas. Davis; Cashier, M. E. Guynn.
7535—People's National Bank, Sedan, Kans.; capital, $25,000; Pres., J. K. Tulloss; Vice-Pres., W. H. Study; Cashier, Otto D. Stallard.
7536—Citizens' National Bank, Gastonia, N. C.; capital, $50,000; Pres., R. P. Rankin; Vice-Pres., C. N. Evans; Cashier, A. G. Meyers.
7537—First National Bank, Newbery, Ore.; capital, $25,000; Pres., J. D. Gordon; Vice-Prest., A. Nelson; Cashier, N. C. Christenson; Asst. Cashier, Maynard Redmond.
7538—Oland National Bank, Witt, Ill.; capital, $25,000; Pres., Robert Dixon; Vice-Pres., Jesse W. Osborn; Cashier, W. A. Young.
7539—First National Bank, Eldorado, Ill.; capital, $25,000; Pres., A. H. Kinsall; Vice-Pres., C. C. Skelton; Cashier, M. J. White.
7540—First National Bank, Lake City, Fla.; capital, $50,000; Pres., J. C. Sheffield; Cashier, J. O. Harris.
7541—First National Bank, Trumansburg, N. Y.; capital, $25,000; Pres., L. J. Wheeler; Vice-Pres., Ed. Murphy; Cashier, P. F. Sears.
7542—New Richmond National Bank, New Richmond, Ohio; capital $25,000; Pres., L. M. Dawson; Vice-Prests., H. Buckley and G. W. Burnet; Cashier, E. R. Baker.
7543—First National Bank, Hollywood, Cal.; capital, $25,000; Pres., G. W. Hoover; Vice-Prests., James C. Kays and John Law; Cashier, J. Eugene Law.
7544—First National Bank, Corbin, Ky.; capital, $25,000; Pres., J. F. Wetherell; Vice-Pres., J. W. Root; Cashier, D. B. Calvert.
7545—First National Bank, Monongah, W. Va.; capital, $25,000; Pres., Howard W. Showalter; Vice-Pres., Carroll Currey; Cashier, Albert S. Holbert.
7546—Farmers & Merchants' National Bank, Mart, Texas; capital, $40,000; Pres., T. M. Blackwood; Vice-Pres., P. W. Wheelis; Cashier, Geo. D. Campbell.
7547—Farmers' National Bank, Nokomis, Ill.; capital, $50,000; Pres., T. J. Whitten; Vice-Pres., J. H. Crickenberger; Cashier, Alf. Griffin; Asst Cashier, Fred W. Ernst.
7548—Commercial National Bank, Goliad, Texas; capital, $30,000; Pres., J. B. Burns; Vice-Pres., Henry Shaper; Cashier, C. L. Benghard.
7549—Calhoun National Bank, Calhoun, Ga.; capital, $50,000; Pres., P. M. Tate; Vice-Pres., O. N. Starr.
7550—Woburn National Bank, Woburn, Mass.; capital, $100,000; Pres., John W. Johnson; Vice-Pres., Julius P. Ramsdell; Cashier, G. A. Day.
7551—Lineville National Bank, Lineville, Ala.; capital, $25,000; Pres., W. D. Haynes; Vice-Pres., W. H. McElroy; Cashier, J. H. Ingram.
7552—Albion National Bank, Albion, Mich.; capital, $50,000; Pres., W. O'Donoghue; Vice-Pres., M. D. Weeks; Cashier, H. M. Dearing.
7553—Farmers & Merchants' National Bank, De Leon, Texas; capital, $50,000; Pres., R. W. Higginbotham; Vice-Prests., Wm. M. Manchester and J. D. Ham; Cashier, W. S. Whaley; Asst. Cashier, R. R. Harvey.
7554—First National Bank, Louisburg, N. C.; capital, $25,000; Pres., R. G. Allen; Vice-Pres., G. W. Ford; Cashier, P. R. White.
7555—Earlville National Bank, Earlville, Ill.; capital, $50,000; Pres., Ezra T. Goble; Vice-Pres., Robert Whitaker; Cashier, C. C. Strong; Asst. Cashier, I. H. Parshall.
7557—Eaton National Bank, Eaton, Ohio; capital, $50,000; Pres., S. Swisher; Vice-Pres., C. F. Brooke, Jr.; Cashier, J. H. Musselman; Asst. Cashier, J. M. Gale.
7558—Talladega National Bank, Talladega, Ala.; capital, $100,000; Pres., J. H. Hicks; Vice-Pres., R. W. Henderson; Cashier, J. M. Hicks.
7559—Union National Bank, McKees-

port, Pa.; capital, $150,000; Pres., A. B. Campbell; Vice-Pres., Philip Zenn; Cashier, R. M. Baldridge.
7560—Keystone National Bank, Pittsburg, Pa.; capital, $500,000; Pres., G. M. Laughlin; Vice-Pres., W. H. Nimick; Cashier, A. S. Beymer; Asst. Cashier, Edw. E. McCoy.
7561—First National Bank, Lucas, Kans.; capital, $25,000; Pres., W. P. O'Brien; Vice-Pres., A. Dalton; Cashier, H. W. Wilcox.
7562—Terre Haute National Bank, Terre Haute, Ind.; capital, $300,000; Pres., P. Hussey; Cashier, W. Hussey.
7563—Monroe National Bank, Monroe, N. Y.; capital, $25,000; Pres., Luther Terwilliger; Vice-Pres., Alfred J. Crane; Cashier, Louis Roe Carpenter.
7564—First National Bank, Henderson, N. C.; capital, $50,000; Pres., S. R. Harris; Vice-Pres., Robert Lassiter; Cashier, S. T. Peace.
7565—First National Bank, Moultrie, Ga.; capital, $25,000; Pres., John A. Carlton; Vice-Pres., L. O. Benton; Cashier, A. W. Chase.
7566—First National Bank, Melrose, Minn.; capital, $25,000; Pres., W. J. Bohmer; Vice-Pres., Joseph Kraker; Cashier, John H. Welle.
7567—First National Bank, Cochran, Ga.; capital, $28,000; Pres., A. J. Thompson, Sr.; Cashier, Z. V. Peacock.
7568—First National Bank, Wetumpka, Ala.; capital, $25,000; Pres., Morris Hohenberg; Vice-Pres., Adolphe Hohenberg and Frank W. Lull; Cashier, C. G. McMorris.
7569—First National Bank, Munich, N. D.; capital, $25,000; Pres., David H. Beecher; Vice-Pres., F. H. Welcome; Cashier, Usher L. Burdick.
7570—American Exchange National Bank, St. Louis, Mo.; capital, $500,000; Pres., Walker Hill; Vice-Pres., Ephron Catlin; Cashier, L. A. Battaile; Asst. Cashier, Emison Chanslor.
7571—Merchants' National Bank, Sallisaw, I. T.; capital, $50,000; Pres., W. H. McDonald; Vice-Pres., W. J. Echols; Cashier, Jno. C. Gardner.
7572—People's National Bank, Lampasas, Texas; capital, $25,000; Pres., J. M. Brown; Vice-Pres., W. R. L. Williamson; Cashier, J. F. White.
7573—First National Bank, Bosworth, Mo.; capital, $30,000; Pres., W. H. Trenchard; Vice-Pres., John Forsythe; Cashier, O. G. Kinsey; Asst. Cashier, C. F. Wurster.
7574—First National Bank, Spalding, Neb.; capital, $25,000; Pres., Samuel W. Allerton; Vice-Pres., C. N. Thompson; Cashier, Will Spencer; Asst. Cashier, John P. Dunning.
7575—Newman National Bank, Newman, Ill.; capital, $50,000; Pres., Scott Burgett; Cashier, Geo. O. Moore.
7576—First National Bank, Dunbar, Pa.; capital, $50,000; Pres., T. B. Palmer; Vice-Pres., S. G. Valentine; Cashier, Clyde D. Kimball.
7577—First National Bank, Brighton, Colo.; capital, $25,000; Pres., S. G. Hurst; Vice-Pres., H. A. Smith; Cashier, G. B. Kinsey.
7578—Tobias National Bank, Tobias, Neb.; capital, $25,000; Pres., John B. Coate; Vice-Pres., E. E. Goodrich; Cashier, Albert Upton; Asst. Cashier, Daisy Upton.
7579—Coffeen National Bank, Coffeen, Ill.; capital, $25,000; Pres., William Abbot; Vice-Pres., Emery Wright; Cashier, Charles F. Edwards.
7580—First National Bank, Hawkinsville, Ga.; capital, $50,000; Pres., W. N. Parsons; Vice-Pres., T. E. Lovejoy; Cashier, Morgan Thompson.
7581—American National Bank, Pittsburg, Pa.; capital, $400,000; Pres., William Zollar; First Vice-Pres., O. P. Cochran; Second Vice-Pres., Henry Berg; Third Vice-Pres., Samuel A. Taylor; Cashier, O. P. Cochran.
7582—First National Bank, Mount Vernon, S. D.; capital, $25,000; Pres., F. A. McCornack; Vice-Pres., Grant Trotter; Cashier, J. M. Newell.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Clanton—Clanton Bank; capital, $15,000; Pres., W. I. Mullins; Vice-Pres., W. H. Sartor; Cashier, E. A. Matthews; Asst. Cashier, E. B. Deason.
Red Level—Bank of Red Level; capital, $30,000; Pres., J. I. Deens; Vice-Pres., C. W. Costen; Cashier, I. S. Costen.

ARKANSAS.

Belleville—Bank of Belleville; capital, $5,000; Pres., C. V. Harris; Vice-Pres., F. C. Jones; Cashier, E. J. Fagan.
Huntsville—Bank of Huntsville; capital, $25,000; Pres., S. M. Slaughter; Vice-Pres., J. S. P. Johnson; Cashier, L. H. Gibson; Asst. Cashier, D. W. Anderson.
Little Rock—Cornish & England.

CALIFORNIA.

Hollywood—Hollywood Savings Bank & Trust Co.; capital, $12,500; Pres., G. W. Hoover; Vice-Pres., James C. Kays and John Law; Cashier, J. Eugene Law.
Los Angeles—Consolidated Bank; Pres., Wm. H. Carlson; Vice-Pres., J. G. Estudillo; Cashier, C. S. Albro.
—West Side Bank; capital, $25,000; Pres., Jno. A. Pirtle; Vice-Pres., Warren Gillelen; Cashier, S. P. Dunn.

COLORADO.

Longmont—Bank of Longmont; Pres., A. E. Flanders; Vice-Pres., H. L. Wood; Cashier, F. W. Flanders; Asst. Cashier, J. E. White.
Victor—City Bank; Capital, $30,000; Pres., A. E. Carlton; Vice-Pres., C. D. Hall; Cashier, J. N. Simmons.

CONNECTICUT.

New Britain—Home Trust & Savings Corporation; capital, $20,000; Pres., Frank H. Alford; Vice-Pres., Geo. L. Smith; Treas., Frank H. Alford; Sec., C. A. Parker.

FLORIDA.

Jacksonville—Florida Bank & Trust

Co. (successor to Mercantile Exchange Bank); capital, $570,000; Pres., W. F. Coachman; Vice-Pres., W. S. Jennings and Arthur F. Perry; Cashier, W. A. Redding.

GEORGIA.

Atlanta—Union Savings Bank; capital, $35,000; Pres., J. T. Holleman; Vice-Pres., F. J. Paxon; Cashier, J. S. Todd, Jr.

Culloden—Merchants & Planters' Bank; capital, $15,000; Pres., Samuel Rutherford; Vice-Pres., J. O. Holmes; Cashier, Robert H. Holmes.

Elko—Bank of Elko; capital, $15,000; Pres., R. F. Wilson; Vice-Pres., J. D. Marshall; Cashier, W. E. Means.

Jersey—Bank of Jersey; capital, $30,000; Pres., Josiah Blasingame; Vice-Pres., W. L. Blasingame; Cashier, J. L. McGarity.

Lula—Bank of Lula; capital, $15,000; Pres., W. S. Witham; Vice-Pres., S. S. Carter; Cashier, E. F. Whitworth.

Pelham—Pelham State Bank; capital, $50,000; Pres., D. C. Barrow.

Sasser—Bank of Sasser; capital, $15,000; Pres., C. J. Dunn; Vice-Pres., W. E. Brim; Cashier, E. J. Dunn.

ILLINOIS.

Chicago—Kenwood Trust & Savings Bank; capital, $200,000; Pres., A. K. Brown; Vice-Pres., D. E. Hartwell; Cashier, Frank Collins.—Citizens' Trust & Savings Bank; Pres., O. F. Smith; Vice-Pres., E. J. Willoughby. —Ashland Exchange & Savings Bank; capital, $30,000; Cashier, G. Franklin Flick.

Durand—Durand State Bank; capital, $25,000; Pres., Niles Patterson; Vice-Pres., H. L. Norton; Cashier, Edward Nelson.

East St. Louis—Citizens' Savings & Trust Co.; capital, $100,000; Pres., H. D. Sexton; Vice-Pres., Edmund Wallace; Sec., L. B. Washburn; Treas., Paul S. Abt.

Redmon—Redmon Bank; capital, $10,000; Cashier, B. O. Snoddy; Asst. Cashier, E. D. Snoddy.

INDIANA.

Frankfort—Citizens' Bank (successors to Morris Bros.); Pres., W. A. Morris; Vice-Pres., C. A. Barricklow; Cashier, J. C. Barricklow.

Newport—Citizens' State Bank; capital, $25,000; Pres., Maurice Hegarty; Cashier, Wm. P. Bell.

IOWA.

Birmingham — Birmingham Savings Bank; capital, $15,000; Pres., Geo. W. Morrell; Vice-Pres., N. L. Calhoun; Cashier, J. W. Young.

Cedar Falls—Cedar Falls Trust Co.; capital, $25,000; Pres., C. H. Rodenbach; Vice-Pres., H. S. Gilkey; Sec., Roger Leavitt; Asst. Sec., F. B. Miller; Treas., H. W. Jackson.

Cumberland—Cumberland Savings Bank; capital, $10,000; Pres., E. S. Harlan; Vice-Pres., John W. Reed; Cashier, Burton Laird; Asst. Cashier, C. P. Shearer.

Davenport—United States Trust Co.; capital, $25,000; Pres., H. H. Voght; Vice-Pres., Adolf Ruyman.

Des Moines—Oak Park Bank; capital, $7,000; Pres., W. W. Holmes; Cashier, C. A. Holmes.

Pella—Farmers & Merchants' Bank; Pres., R. Vander Ploeg; Cashier, W. G. Vander Ploeg.

Rome—Rome Savings Bank; capital, $12,500; Pres., Robert S. Gillis; Vice-Pres., Jonathan Lee; Cashier, H. E. Walker.

Ware—Bank of Ware (successor to Ware Savings Bank); capital, $25,000; Pres., J. H. Allen; Cashier, R. G. Cundy.

KANSAS.

Bunker Hill—Bunker Hill State Bank; capital, $10,000; Pres., C. Shaffer; Cashier, E. O. Haines.

Cheney—Cheney State Bank; capital, $5,000; Pres., John T. Hessel; Vice-Pres., L. S. Naftzger; Cashier, H. D. Crosby.

Hill City—American State Bank; capital, $20,000; Pres., J. F. Rowe; Vice-Pres., Wm. W. Greene; Cashier, E. V. Cumberford; Asst. Cashier, A. G. Morris.

La Harpe—La Harpe State Bank; capital, $10,000; Pres., Geo. G. Fox; Vice-Pres., Jno. W. Laury; Cashier, C. H. Olson.

Randolph—Citizens' State Bank; capital, $10,000; Pres., F. H. Shellenbaum; Vice-Pres., A. V. Schwartz; Cashier, F. W. Oberhelman.

Windom—Windom State Bank; capital, $10,000; Pres., Fred. B. Clarke; Vice-Pres., C. Myers; Cashier, J. D. King.

KENTUCKY.

Edmonton—Farmers & Merchants' Bank; capital, $15,000; Pres., J. A. Hamilton, Sr.; Vice-Pres., J. H. Kinnaird; Cashier, J. W. Kinnaird.

Foster—Foster Deposit Bank; capital, $5,000; Pres., Jno. T. Jett; Vice-Pres., R. Y. Hill; Cashier, D. C. McMath.

Middleburg—Farmers' Deposit Bank; capital, $7,500; Pres., E. J. Godbey; Vice-Pres., C. L. Pruitt; Cashier, D. A. Thomas.

Stamping Ground—People's Bank; capital, $15,000; Pres., A. Stewart; Vice-Pres., A. J. Bridges; Cashier, T. L. Southworth.

LOUISIANA.

Lake Charles—Lake Charles Loan & Trust Co.; Pres., Leon Chavanne; Vice-Pres., Geo. M. King; Sec., T. A. Dees; Treas., J. N. Wratherill.

Lutcher—St. James Bank; capital, $30,000; Pres., F. Ruynaud; Vice-Pres., John Diebert; Cashier, A. H. Mears.

MASSACHUSETTS.

Boston—Massachusetts Banking & Mortgage Co., capital, $200,000; Pres., Edward S. Barker; Vice-Pres., Charles L. Barnes; Treasurer, L. R. Wallis.

MICHIGAN.

Copemish—Bank of Copemish; capital, $5,000; Pres., G. E. Hodges; Manager, W. A. Wyman; Cashier, W. J. Rachow.

Reed City—Farmers' Bank (L. K. Parkhurst & Co.); capital, $200,000.

South Rockwood—John Strong & Sons.

Springport—Springport Banking Co.

(successor to Banking House of I. P. Roberts); Pres., Teena H. Roberts; Cashier, H. P. Foglesang; Asst. Cashier, J. A. Foglesang.

MINNESOTA.

Badger — Scandinavian - American Bank; Pres., Anthon Eckern; Vice-Pres., T. T. Risteigen; Cashier, C. M. Tjosvold.
Buffalo—Oakley State Bank; capital, $25,000; Pres., C. E. Oakley; Vice-Pres., A. C. Heath; Cashier, W. D. Oakley.
Cass Lake—First State Bank; Pres., J. P. Foote; Vice-Pres., L. H. Burns; Cashier, H. E. Reed.
Grasston—Bank of Grasston; capital, $5,000; Pres., F. Schandira; Vice-Pres., F. W. Lamb; Cashier, F. W. Waterman; Asst. Cashier, Harry A. Lamb.
Princeton—Security State Bank; capital, $15,000; Pres., R. F. McLellan; Vice-Pres., J. F. Goulding; Cashier, G. A. Eaton.
Rolling Stone—First State Bank; capital, $10,000; Pres., J. H. Hans; Vice-Pres., Jno. P. Schuh; Cashier, E. E. Hans.
Tracy—Tracy State Bank; capital, $20,000; Pres., D. A. McLarty; Vice-Pres., J. R. Fitch; Cashier, Lester J. Fitch; Asst. Cashier, A. Swoffer.
Wykoff—First State Bank; capital, $15,000; Pres., A. L. Ober; Vice-Pres., J. J. Walker; Cashier, Alvin Schwager.

MISSISSIPPI.

Lyon—Bank of Lyon; capital, $25,000; Pres., A. J. Morley; Vice-Pres., B. K. Bobo; Cashier, C. G. Bobo.
Union—Bank of Union; capital, $15,000; Pres., W. D. McKaven; Vice-Pres., S. M. Jones; Cashier, H. H. Chambers.

MISSOURI.

Bellflower—Farmers' Bank; capital, $15,000; Pres., H. W. Kamp; Vice-Pres., R. L. Wesy; Cashier, Theo. J. Williams.
Clifton City—Bank of Clifton; capital, $10,000; Pres., Jno. C. Strine; Vice-Pres., M. D. Wakefield; Cashier, Joe G. Cox.
Madison—Farmers & Merchants' Bank; capital, $10,000; Pres., Edwin Bossett; Vice-Pres., M. P. Ash; Cashier, A. L. Cox.
Tipton—Farmers' Bank; capital, $12,500; Pres., S. W. Hurst; Vice-Pres., T. L. Collison, Cashier; W. P. Kuttenbuler.

MONTANA.

Billings—Austin North Bank; Asst. Cashier, W. W. Beeman.
Ekalaka—Ekalaka Bank; Pres., R. C. Charters; Cashier, J. L. Sargent.

NEBRASKA.

Crab Orchard—Farmers' State Bank; capital, $8,500; Pres., Solon Bacon; Vice-Pres., I. S. Platt; Cashier, H. C. Platt.
Loup City—Loup City State Bank; capital, $30,000; Pres., C. C. Hansen; Vice-Pres., T. J. Hansen; Cashier, C. W. Fletcher.
Macon—Macon State Bank; capital, $5,000; Pres., Geo. F. Sawyer; Vice-Pres., Charles B. Anderson; Cashier, Claude L. Abbott; Asst. Cashier, Lula D. Abbott.
Moorefield—Bank of Morefield; capital, $7,500; Pres., Geo. F. Sawyer; Vice-Pres., Chas. B. Anderson; Cashier, Claude L. Abbott; Asst. Cas., Lula D. Abbott.
Ruskin—Farmers' State Bank; capital, $7,500; Pres., J. R. Parsons; Vice-Pres., F. D. Wegener; Cashier, Percy Baird.
Thurston—Thurston State Bank; capital, $5,000; Pres., H. H. Case; Vice-Pres., F. B. Huthchins; Cashier, Craig L. Spencer.

NEW YORK.

Brooklyn—Prospect Park Bank; capital, $100,000; Pres., Wm. E. Harmon; Vice-Pres., William D. Buckner and Joel S. de Selding; Cashier, J. Schenck Remsen; Asst. Cashier, Raymond C. Brown.
New York—Interboro Bank; capital, $100,000; Pres., H. G. Runkle; Vice-Pres., William Carpenter and H. L. Merry; Cashier, W. K. Vanderpoel.—Italian-American Trust Co.; capital, $500,000; Pres., E. Gerli; Vice-Prests., Celestino Puva, S. D. Scudder and Louis Gandolfid; Sec. and Treas., A. Baur.

NORTH CAROLINA.

Blowing Rock—Bank of Blowing Rock; capital, $5,000; Pres., C. J. Parlier; Vice-Pres., J. B. Clarke; Cashier, Chester Bishop.
Concord—Citizens' Bank & Trust Co.; capital, $25,000; Pres., A. Jones Yorke; Vice-Pres., H. L. Parks; Cashier, Chas. B. Wagoner.
Dallas—Bank of Dallas; capital, $10,000; Pres., L. L. Jenkins; Vice-Pres., E. L. Wilson; Cashier, M. A. Carpenter.
Farmville—Bank of Farmville; capital, $10,000; Pres., R. L. Davis; Vice-Pres., W. M. Lang; Cashier, J. R. Davis; Asst. Cashier, Henri Jackson.
Norwood—Bank of Norwood; capital, $12,500; Pres., W. B. Blalock; Vice-Pres., T. A. Hathcock, Jr.; Cashier, L. M. Hart.
Southport—Bank of Southport; capital, $5,000; Pres., Robert C. Hood; Vice-Pres., D. I. Watson; Cashier, Geo. McDonald.

NORTH DAKOTA.

Doyon—Bank of Doyon—Bank of Doyon; capital, $10,000; Pres., W. C. Hagler; Vice-Pres., C. H. Doyon; Cashier, H. G. Merritt; Asst. Cashier, P. L. Klyver.
Mannhaven—Mercer County State Bank; Pres., Adam Sailer; Vice-Pres, I. P. Baker; Cashier, E. M. Thompson.

OHIO.

Ashley—Farmers' Saving Bank Co.; capital, $25,000; Pres., F. E. Whipple; Vice-Pres., Thomas J. Cole; Cashier, B. A. Durkee; Asst. Cashier, Frank Riley.
Brookville—Citizens' Banking Co. (successor to Farmers & Merchants' Bank and People's Bank); Pres., F. B. Mills; Vice-Pres., W. D. Munk-

henk; Cashier, J. P. Cloppert; Asst. Cashier, T. A. Beck.

Greenfield—People's Saving Bank; capital, $25,000; Pres., Austin Ferneau; Vice-Pres., James N. Douglass; Cashier, Joseph L. Caldwell.

St. Henry—St. Henry Bank; Pres., J. H. Romer; Vice-Pres. and Asst. Cashier, Henry Romer; Cashier, Wm. H. Romer.

Sandusky—American Banking Co.; capital, $100,000; Pres., James Flynn; Vice-Pres., J. A. Biehl; Cashier, H. W. Parsons; Asst. Cashier, C. G. Schippel.

Waterville—Maumee Valley Bank; Pres., F. E. Shaffmaster; Vice-Pres., C. E. Shaffmaster.

OKLAHOMA.

Enid—Oklahoma State Bank; capital, $25,000, Pres., C. C. Robinson; Vice-Pres., F. P. Robinson; Cashier, D. W. Robinson; Asst. Cashier, James J. Dillingham.

Lahoma—Farmers & Merchants' Bank; capital, $15,000; Pres., T. H. Miller, Sr.; Vice-Pres., C. B. Anderson; Cashier, T. H. Miller, Jr.

Wanette—State Bank; capital, $10,000; Pres., S. R. Miller; Vice-Pres., J. H. Royster; Cashier, S. J. Weaver.

OREGON.

Stayton—Stayton State Bank; capital, $10,000; Pres., P. C. Freres; Vice-Pres., N. Freres; Cashier, W. L. Freres.

PENNSYLVANIA.

Duquesne—Hungarian-American Savings & Trust Co.; capital, $125,000; Pres., J. M. Friedman; Vice-Pres., Alex. Kolassan; Treas., H. J. Kumer.

Genesse—Genesse Banking Co.; capital, $25,000; Pres., J. B. Jones; Vice-Pres., Geo. B. Wilcox; Cashier, E. J. Johnson.

SOUTH DAKOTA.

Hurley—Farmers & Merchants' Bank; capital, $10,000; Pres., A. K. Kerns; Vice-Pres., John J. Lease; Cashier, S. Jordan Kerns.

Oacoma—Lyman County Bank; Pres., W. G. Kenaston.

Tea—Farmers' Saving Bank; capital, $6,000; Pres., W. C. Hollister; Cashier, A. W. Dula.

TENNESSEE.

Brazil (Trenton, P. O.)—Bank of Brazil; capital, $7,500; Pres., W. W. Howse; Vice-Pres., W. A. Jones; Cashier, F. F. Charles.

Elkton—Bank of Elkton; capital, $10,000; Pres., Alex. Austin; Vice-Pres., W. H. Birdsong; Cashier, B. R. Holbrook.

Memphis—Merchants' Trust Co.; capital, $200,000; Pres., Felix T. Pope; Vice-Pres., Robert L. Brown; Cashier, Wm. H. Kyle.

Millington—Bank of Millington; capital, $10,000; Pres., W. A. Clements; Vice-Pres., W. E. Polk; Cashier, N. L. Flournoy.

TEXAS.

Britton—Citizens' Bank; Pres., J. K. Williams; Vice-Pres., W. G. Turner; Cashier, F. S. Windle; Asst. Cashier, J. Richard Poindexter.

Dallas—Riddle Exchange Bank; Pres., Geo. W. Riddle; Vice-Pres., E. F. Davidson; Cashier, J. R. Knox.

VIRGINIA.

East Radford—Farmers & Merchants' Bank; capital, $25,000; Pres., Fielding I. Smith; Cashier, W. H. Galway.

Elkton—Bank of Elkton; capital, $6,000; Pres., J. E. Leebrick; Vice-Pres., C. G. Hornsberger; Cashier, I. L. Flory.

La Crosse—Bank of La Crosse; capital, $10,000; Pres., E. P. Buford; Vice-Pres., W. W. Meredith; Cashier, L. M. Raney.

WEST VIRGINIA.

Hendricks—Bank of Hendricks; capital, $10,000; Pres., C. D. Gillaspie; Vice-Pres., G. E. Davis; Cashier, I. S. Canfield.

WISCONSIN.

Berlin—Berlin State Bank; capital, $5,000; Pres., F. H. Wellcome; Vice-Pres., C. W. Allen; Cashier, W. G. Babcock; Asst. Cashier, E. Grant Bunce.

MEXICO.

Mexico City—Mercantile Banking Co., Ltd.; Pres., L. C. Balch; Cashier, H. C. Head.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Carrollton—Bank of Carrollton; Jno. S. Hanley, Pres., deceased.

Demopolis—First National Bank; Jno. S. Hanley, Pres., deceased.

Mobile—First National Bank; Felix McGill, Vice-Pres.; E. H. Shaffer, Asst. Cashier.

Montgomery—Fourth National Bank; capital increased to $250,000; A. J. Jones, Asst. Cashier.

Ozark—Merchants & Planters' Bank; capital increased to $200,000.

Wetumpka—Bank of Wetumpka; capital increased to $40,000.

ARKANSAS.

Foreman—Citizens' Bank; Andrew Waters, Cashier.

Little Rock—Parker, Ewing & Co.; W. C. Finney, Cashier, deceased.

CALIFORNIA.

Berkeley—Merchants' Bank; accounts transferred to University Savings Bank.

Riverside—First National Bank; Geo. Frost, Pres.; C. E. Rumsey, Vice-Pres.—Riverside Sav. Bank & Trust Co.; J. A. Simms, Pres.; T. S. Breckinridge, Sec.; Chas. E. Waite, Asst. Sec.

San Francisco—Bank of California; Homer S. King, Pres. in place of William Alvord.—Commercial Bank & Trust Co.; R. H. Warfield, Pres., resigned.

Santa Barbara—Santa Barbara County-

National Bank; E. S. Sheffield, Pres., deceased.

Santa Rosa—Santa Rosa Bank; Blitz W. Paxton, Pres., resigned.

COLORADO.

Denver—International Trust Co.; Samuel G. Gill, Sec. in place of Charles E. Dickinson; R. F. Watkins, Asst. Sec.

Fort Collins—First National Bank; E. D. Avery, Cashier in place of L. C. Moore; no Asst. Cashier in place of E. D. Avery.

Grand Junction—Grand Valley National Bank; Wm. J. Moyer, Pres. in place of John E. Phillips; O. H. Shoup, Vice-Pres. in place of W. J. Moyer.

Leadville—American National Bank; H. D. Leonard, Asst. Cashier.

Sulphur Springs—Bank of Grand County; Howard F. Morgan, Asst. Cashier.

Victor—Bank of Victor; T. C. McDonald and J. B. Irwin, Asst. Cashiers.

CONNECTICUT.

Meriden—Meriden National Bank; Geo. M. Clark, Pres.; W. M. Quested, Cashier in place of Geo. M. Clark.

Middletown—First National Bank; Earle C. Butler, Vice-Pres. in place of Chas. W. Harris; no Asst. Cashier in place of Earle C. Butler.

New Haven—New Haven Savings Bank; James S. Hemingway, Asst. Treas.—Merchants' National Bank; H. C. Warren, Pres. in place of C. S. Mersick, deceased; Lewis H. English, Vice-Pres. in place of H. C. Warren.

New London—National Bank of Commerce; Geo. B. Prest, Vice-Pres.; Wm. H. Reeves, Cashier in place of Geo. B. Prest; no Asst. Cashier in place of Wm. H. Reeves.

Norwich—First National Bank; E. H. Tibbits, Asst. Cashier.—Uncas National Bank; John C. Perkins, Vice-Pres. in place of Wm. H. Fitch.

Waterbury—Citizens' National Bank; F. L. Curtiss, Vice-Pres.—Waterbury National Bank; A. J. Blakesley, Asst. Cashier.

DELAWARE.

Newark—National Bank of Newark; James Hassinger, Pres. in place of S. M. Curtis; J. Wilkins Cooch, Vice-Pres. in place of James Hassinger; J. H. Hassinger, Cashier in place of Geo. W. Lindsay; J. D. Jaquette, Asst. Cashier in place of Geo. W. Williams.

FLORIDA.

Pensacola—First National Bank; Wm. H. Knowles, Pres. in place of F. C. Brent.

GEORGIA.

Abbeville—Bank of Abbeville; Wm. S. Witham, Pres. in place of J. F. Cook, resigned.

Americus—Bank of Southwestern Georgia; A. W. Smith, Pres. in place of John W. Wheatley; G. M. Eldridge, Vice-Pres.; Macon Dudley, Cashier.

Atlanta—Trust Company of Georgia; capital increased to $500,000.—Neal Loan & Banking Co.; title changed to Neal Bank.

Cartersville—First National Bank; Joseph Calhoun, Cashier in place of J. H. Vivion.

Savannah—Savannah Trust Co.; John H. Strous, Asst. Sec. and Treas.—Merchants' National Bank; J. F. C. Myers, Vice-Pres. in place of Beirne Gordon.

Villa Rica—Bank of Villa Rica; capital increased to $50,000.

ILLINOIS.

Byron—Farmers & Merchants' Bank; William Bunn, Pres., deceased.

Chicago—Commercial National Bank; Ralph Van Vechten, Second Vice-Pres.; D. Vernon, Third Vice-Pres.; N. R. Losch, Cashier in place of Jos. T. Talbert; H. E. Smith and Wm. T. Bruckner, Asst. Cashiers.

Decatur—National Bank of Decatur; J. A. Meriweather, Asst. Cashier.

East St. Louis—First National Bank; J. C. Van Riper, Pres. in place of Paul W. Abt; Paul W. Abt, Vice-Pres.

Flora—First National Bank; H. F. Pixley, Vice-Pres. in place of J. M. Cunningham; C. H. Bothwell, Cashier in place of H. F. Pixley; C. E. Hemphill, Asst. Cashier in place of C. H. Bothwell.

Mount Carroll—First National Bank; J. H. Miles, Asst. Cashier.

Paris—First National Bank; no Asst. Cashier in place of W. S. Burt.

Pekin—Farmers' National Bank; A. A. Sipfle, Cashier in place of C. H. Turner.

Peoria—Dime Savings Bank & Trust Co.; Oliver J. Bailey, Pres. in place of Eliot Callender.—Illinois National Bank; Ira D. Buck, Pres. in place of Martin Kingman; Walter B. Kingman, Vice-Pres.

Sterling—Sterling National Bank; J. H. Lawrence, Pres. in place of James R. Bell; S. G. Crawford, Cashier in place of C. H. Tuttle.

INDIANA.

Connersville—First National Bank; L. K. Tingley, Cashier in place of Q. A. Mount; no Asst. Cashier in place of J. C. Mount.

Indianapolis — Merchants' National Bank; John P. Frenzel, Jr., Asst. Cashier.

Martinsville—First National Bank; C. S. Cunningham, Pres. in place of M. Hite; H. C. Robinson, Vice-Pres.; Karl I. Nutter, Cashier in place of T. H. Parks, deceased; no Asst. Cashier in place of Karl I. Nutter.

New Castle—First National Bank; Geo. B. Morris, Pres. in place of J. W. Maxin; Joshua I. Morris, Vice-Pres. in place of Geo. B. Morris; Geo. R. Murphy, Cashier in place of Eli B. Phillips.

Rochester—Rochester Bank; Arthur G. Copeland, Proprietor, deceased.

Seymour—First National Bank; C. D. Billings, Asst. Cashier.

Terre Haute—National State Bank; title changed to Terre Haute National Bank.

INDIAN TERRITORY.

Muldrow—First National Bank; J. H. Baker, Cashier in place of E. H. Bruce.

Wewoka—First National Bank; J. L. Dixon, Vice-Pres. in place of H. B. Catlett.

IOWA.

Cedar Rapids—Cedar Rapids National Bank; J. H. Ingwersen, Cashier in place of Ralph Van Vechten.
Centerville—First National Bank; W. M. Evans, Asst. Cashier.
Des Moines—Iowa Trust & Savings Bank; W. B. Martin, Pres. in place of D. H. Kooker.
Dubuque—First National Bank; B. F. Blocklinger, Cashier; no Asst. Cashier in place of B. F. Blocklinger.
Dyersville—Farmers' State Bank; H. B. Willenberg, Asst. Cashier.
Primghar—First National Bank; H. W. Smith, Pres. in place of C. H. Slocum; R. Hinman, Cashier in place of Louis W. Mittendorff.
Sac City—First National Bank; Geo. B. Perkins, Pres.
Sioux City—First National Bank and City National Bank; consolidated under former title; capital, $300,000.

KANSAS.

Cedar Vale—Dosbauch National Bank; A. N. Shaver, Asst. Cashier in place of C. R. Whartenby.
Clay Center—First National Bank; E. L. Lindner, Asst. Cashier.
Delphos—First National Bank; J. B. Sage, Vice-Pres.
Lindsborg—First National Bank; John A. Swenson, Pres. in place of B. F. Duncan; Theo. Teichgracher, Vice-Pres. in place of J. W. Bean; C. M. Norstrom, Cashier in place of John A. Swenson; no Asst. Cashier in place of C. M. Norstrom.

KENTUCKY.

Louisville—First National Bank; no Asst. Cashier in place of T. R. Linton.
Paducah—Paducah Banking Co.; L. S. DuBois, Pres.
Sulphur—Deposit Bank; Henry W. Elliott, Jr., Asst. Cashier in place of Arthur C. Smith.
Winchester—Clark County National Bank; R. O. Fitch, Asst. Cashier.

LOUISIANA.

Shreveport — Shreveport National Bank and Louisiana Bank & Trust Co.; consolidated under latter title.

MAINE.

Bangor—First National Bank; Isaiah K. Stetson, Vice-Pres.
Bath—Marine National Bank; Chas. E. Hyde, Vice-Pres. in place of Jos. M. Hayes.

MARYLAND.

Baltimore—First National Bank; Jos. R. Foard, Vice-Pres. in place of Theodore Hooper.
Cumberland—Second National Bank; D. Annan, Pres. in place of Lloyd Lowndes, deceased; Lloyd Lowndes, Jr., Vice-Pres.; D. F. Keykendall, Cashier in place of D. Annan.
Frederick—Farmers & Mechanics' National Bank; C. B. Trail, Pres. in place of S. S. Maynard; Franklin B. Smith, Vice-Pres. in place of C. B. Trail.
Keedysville—Keedysville Bank; C. M. Keedy, Pres., D. H. Snavely, Vice-Pres.
North East—First National Bank; C. A. Benjamin, Pres. in place of L. L. Dirickson Jr.; no Vice-Pres. in place of C. A. Benjamin.

MASSACHUSETTS.

Adams—First National Bank; capital reduced to $100,000.
Boston—Second National Bank; no Vice-Pres. in place of William C. Williams; J. H. Symonds and Frank H. Wright, Asst. Cashiers.—Fourth National Bank; E. E. Hanscom, Asst. Cashier.—Monument National Bank of Charlestown; Clinton White, Vice-Pres.
Conway—Conway National Bank; capital reduced to $50,000.
Lowell—Appleton National Bank; Elisha J. Neale, Vice-Pres. in place of Geo. C. Taylor.
Pittsfield—Third National Bank; R. B. Bardwell, Pres. in place of Henry W. Taft; Franklin Weston, Vice-Pres. in place of Edward D. Jones; Wm. H. Perkins, Cashier in place of R. B. Bardwell.
Salem—Naumkeag National Bank; Arthur W. West, Vice-Pres.
Springfield—First National Bank; F. L. Safford, Asst. Cashier.—Agawam National Bank; Ralph W. Ellis, Pres. in place of H. W. McGregory.
Westboro—First National Bank; Geo. L. Smith, Vice Pres.
Worcester — Worcester Mechanics' Saving Bank; Thomas G. Kent, Vice-Pres. in place of Francis Dewey.

MICHIGAN.

Detroit—Marine Savings Bank; merged with Dime Savings Bank under latter title.
Marquette — First National Bank; Claude W. Case, Vice-Pres., deceased.

MINNESOTA.

Minneapolis—Clarke National Bank; title changed to Minnesota National Bank.
Renville—First National Bank; no Asst. Cashier in place of B. F. Rostad.

MISSISSIPPI.

Hazlehurst—Bank of Hazlehurst; J. A. Covington, Pres., deceased; R. P. Willing, Jr., Vice-Pres., resigned.
Jackson—Capitol National Bank; H. D. Davis, Pres. in place of R. W. Millsaps.—Mississippi Bank & Trust Co.; W. S. Allen, Asst. Cashier.
McComb—Pike County Bank; title changed to Pike County Bank & Trust Co.; W. F. Holmes, Pres.; J. J. White and V. L. Terrell, Vice-Prests.; W. R. Caston, Cashier; Leigh Watkins, Asst. Cashier.
Yazoo City—First National Bank; W. C. Craig, Pres. in place of R. L. Bennett; Wm. Hemel, Vice-Pres. in place of W. C. Craig.

MISSOURI.

Fredericktown—Security Bank; A. V. Downs, Asst. Cashier.
Joplin—Citizens' State Bank; John R. Hogg, Asst. Cashier.
Kansas City—Union National Bank; C. H. V. Lewis, Cashier, resigned.

Kirksville—Baird National Bank; W. T. Baird, Pres. in place of M. D. Campbell; M. D. Campbell, Vice-Pres. in place of John Caskey; Frank Baird, Cashier in place of W. T. Baird; O. J. Lloyd, Asst. Cashier.

St. Charles—St. Charles Savings Bank; Frederick Gut, Vice-Pres.; Louis F. Marten, Cashier; Edwin F. Huncker, Asst. Cashier.

St. Louis—Fourth National Bank; George A. Augst, Cashier, deceased.

Troy—People's Bank; James A. Jackson, Cashier, deceased.

NEBRASKA.

Crete—Crete State Bank; Harry W. Gasser, Cashier in place of C. B. Goodell.—First National Bank; Geo. L. Meissner, Pres. in place of John L. Tidball; no Vice-Pres. in place of Geo. L. Meissner.

Jansen—State Bank; Peter Jansen, Pres.; John P. Thiesen, Vice-Pres.; C. J. Claassen, Cashier.

Leigh—Farmers & Merchants' Bank; Fred. Rabeler, Jr., Cashier in place of Geo. A. Price; Ed. Wurdeman, Asst. Cashier.

NEW HAMPSHIRE.

Concord—National State Capitol Bank; Josiah E. Fernald, Vice-Pres.

Dover — Strafford Savings Bank; Harold W. Brown, Treas. in place of G. F. Piper.

Manchester — Amoskeag Savings Bank; A. O. Brown, Pres. in place of Otis Barton.

Portsmouth — Rockingham National Bank; William A. Peirce, Pres. in place of Jno. J. Pickering, deceased.

NEW JERSEY.

Atlantic City—Chelsea National Bank; W. F. Shaw, Vice-Pres. in place of D. B. Ingersoll.

Atlantic Highlands—Atlantic Highlands National Bank; Jacob T. Stout, Pres. in place of Thomas H. Leonard; John J. Leonard, Vice-Pres. in place of Jacob T. Stout.

Camden—First National Bank; John F. Starr, Jr., Vice-Pres. in place of Charles Stockham.

Hoboken—Second National Bank; William Machold, Vice-Pres., deceased; also Treasurer Hoboken Bank for Savings.

Manasquan—First National Bank; M. D. L. Magee, Pres. in place of Chas. J. Parker; Geo. M. Davidson, Cashier in place of M. D. L. Magee.

Passaic—Hobart Trust Co.; Edwin T. Mattox, Sec. and Treas. in place of Frank Terhune, resigned.

NEW YORK.

Albany—First National Bank; John A. Dix, Vice-Pres. in place of N. E. Sisson.—National Savings Bank; F. B. Stevens, Sec. in place of A. P. Stevens.—New York State National Bank; Ledyard Cogswell, Jr., Second Asst. Cashier.—Albany Exchange Bank; Joseph Guardenier, Sec. and Treas.—National Exchange Bank; Chauncey E. Argersinger, Pres. in place of John D. Parsons, resigned.

Batavia—First National Bank; Geo. F. Bigelow, Cashier in place of Jerome L. Bigelow, deceased; John P. Hoeltzel, Asst. Cashier in place of Geo. F. Bigelow.

Buffalo—German-American Bank; E. G. S. Miller, Pres.; Henry W. Burt, Vice-Pres.

Hornellsville—First National Bank; no Vice-Pres. in place of Ira Davenport, deceased.

Lockport—Niagara County National Bank; Calvin G. Sutliff, Vice-Pres. in place of William Richmond.

Lowville—First National Bank; W. J. Milligan, Cashier in place of E. H. Bush; no Asst. Cashier in place of W. J. Milligan.

Mount Vernon—East Chester Savings Bank; Joseph S. Clark, Pres., deceased.

Newark—Arcadia National Bank; Calvin P. H. Vary, Vice-Pres., resigned.

New York—National Bank of Commerce in New York; no Asst. Cashier in place of Clarence Foote.—New York Security & Trust Co.; title changed to New York Trust Co.—Lincoln Trust Co.; William Darrow, Jr., Vice-Pres.; Frederick Phillips, Sec.; J. Z. Bray, Asst. Sec.—National Bank of North America; C. W. Morse, Vice-Pres., resigned.—National Shoe & Leather Bank; Henry Ollesheimer, First Vice-Pres., and A. C. Corby, Cashier in place of John A. Hiltner, deceased; G. B. Sayers, Second Vice-Pres.—German Savings Bank; Geo. Bishop, Cashier, deceased.—International Banking Corporation; Thomas H. Hubbard, Pres. in place of W. L. Moyer.

Odessa—Couch & Fisher; Charles S. Fisher, Cashier, resigned.

Pine Plains—Stissing National Bank; Edward Bryan, Vice-Pres., in place of L. Morehouse, deceased.

Poughkeepsie — Falkill National Bank; William W. Smith, Vice-Pres.

Red Hook—First National Bank; Edwin H. Weaver, Cashier in place of Clarence Shook; Allan B. Hendricks, Asst. Cashier in place of E. L. Parsons.

Rochester — Flour City National Bank; Wm. G. Watson, Asst. Cashier.

Sandy Hill—Sandy Hill National Bank; Grenville M. Ingalsbe, Pres.; John H. Derby, Vice-Pres. in place of Grenville M. Ingalsbe.

Saratoga Springs—Citizens' National Bank; Edgar D. Starbuck, Pres. in place of C. B. Thomas; Geo. M. Crippen, Vice-Pres. in place of F. N. Hewett; W. H. Waterbury, Asst. Cashier.

Troy—United National Bank; Geo. B. Warren, Pres. in place of John H. Neher; Chas. W. Tillinghast, Vice-Pres. in place of Geo. B. Warren; David Cown, Jr., Asst. Cashier.

OHIO.

Bucyrus—First National Bank; W. C. Lemert, Vice-Pres. in place of Benj. Sears.

Cincinnati—German National Bank; Ed. Herzog, Vice-Pres.; W. C. Wachs, Cashier in place of Edward Herzog; no Asst. Cashier in place of W. C. Wachs.—Merchants' National Bank; W. P. Stamm, Asst. Cashier.—First National Bank; C. B. Wright, S. R. Burton and C. J.

Stedman, Vice-Prests.—National La Fayette Bank; absorbed by First National Bank.

Columbus—Columbus Savings & Trust Co.; I. B. Cameron, Pres. in place of Cyrus Huling, resigned; Harry M. Daugherty, Vice-Pres. in place of Theodore E. Glenn; Chas. M. Wambaugh, Second Vice-Pres. in place of Emery J. Smith.

Delaware—Deposit Banking Co.; B. C. Duncan, Asst. Cashier.

Gallipolis—First National Bank; T. C. Thomas, Asst. Cashier.

Girard—Girard National Bank; James McFarlin, Cashier in place of A. B. Camp.

McComb—People's Bank; Oliver P. Shaw, Pres. in place of Wesley Leathers; J. M. Martin, Vice-Pres.

Napoleon—Citizens' State Bank; S. M. Heller, Pres.; F. Roessing, Vice-Pres.; J. D. Groll, Cashier.

Quaker City—Quaker City National Bank; H. S. Hartley, Asst. Cashier.

Tiro—Farmers & Citizens' Bank; J. D. Brown, Vice-Pres., deceased.

Toledo—Security Savings Bank & Trust Co.; Rollin H. Scribner, Sec.-Treas. in place of Harry Cummings, resigned.—Merchants & Clerks' Savings Bank; Walter C. Bond, Cashier in place of E. Louis Schomburg.

Urbana—Champaign National Bank; Jno. P. Knight, Vice-Pres. in place of S. H. Hedges.

OKLAHOMA.

Oklahoma—Farmers' State Bank; W. F. Weaver, Pres.; James Chenoweth, Vice-Pres.; Will S. Guthrie, Cashier.

Watonga — First National Bank; Jerome Harrington, Pres. in place of W. R. Kelly; A. H. Keith, Vice-Pres. in place of John H. Dillon.

PENNSYLVANIA.

Ambler—First National Bank; Wm. A. Davis, Cashier in place of John S. Buchanan.

Bridgeville—First National Bank; Robert Patterson, Asst. Cashier.

Clarion—First National Bank; no Asst. Cashier in place of W. A. Graham.

Coalport— rst National Bank; A. L. Hegarty, Asst. Cashier.

Franklin—First National Bank; F. M. McDonald, Asst. Cashier.

Jonestown—Jonestown Bank; Henry E. Eshelman, Cashier, deceased.

Madera—Madera National Bank; S. C. Steele, Cashier in place of J. F. Klingensmith, Acting Cashier.

Mifflintown—First National Bank; C. W. Muyer, Asst. Cashier.

Millersburg—First National Bank; W. B. Meetch, Vice-Pres. in place of A. Fortenbaugh.

New Castle—First National Bank; Geo. Greer, Vice-Pres. in place of C. S. Clarke.

Norristown—First National Bank; C. Henry Stinson, Pres. in place of Francis G. Stinson, deceased.

Oil City—Oil City Trust Co.; Charles M. Loomis, Sec. and Treas., deceased.

Pittsburg—German National Bank; no Vice-Pres. in place of E. J. Frauenheim. — Mellon National Bank; capital increased to $4,000,000.

Warren—Citizens' National Bank; F. P. Hule, Vice-Pres.—Warren National Bank; F. E. Hertzel, Vice-Pres. in place of H. A. Jamieson; E. H. Lampe, Cashier in place of F. E. Hertzel.

Waynesboro—Bank of Waynesboro; capital increased to $100,000.

York—First National Bank; J. A. Erwin, Asst. Cashier in place of Wm. I. Koller.

RHODE ISLAND.

Providence — Providence National Bank; R. I. Gammell, Pres. in place of Wm. Goddard; Wm. Goddard, Vice-Pres. in place of R. I. Gammell.

SOUTH CAROLINA.

Abbeville—Farmers' Bank; F. E. Harrison, Pres.; P. B. Speed, Vice-Pres.; J. C. Thomson, Asst. Cashier.

Anderson—Farmers & Merchants' Bank; R. S. Hill, Pres., deceased; also Pres. Farmers Loan & Trust Co.

Camden—Commercial Savings Bank & Trust Co.; Edward S. Vaux, Pres., deceased.

Denmark—Bank of Denmark; capital increased to $10,000.

Greenwood—Farmers & Merchants' Bank; R. M. Hays, Pres. in place of W. G. Gambrel.

Newberry—National Bank of Newberry; J. W. M. Simmons, Cashier; F. N. Martin, Asst. Cashier.

Piedmont—Bank of Piedmont; J. E. Wakefield, Cashier in place of Joseph Norwood.

SOUTH DAKOTA.

Lake Preston—Merchants' Exchange Bank; capital increased to $20,000.

TENNESSEE.

Greenfield—Greenfield Bank; R. L. Goolsby, Pres. in place of A. D. Kent; W. A. Barton, Cashier.

Jackson—Union Bank & Trust Co.; capital increased to $100,000.

McMinnville—National Bank of McMinnville; title changed to First National Bank; J. S. Harrison, Vice-Pres. in place of H. L. Walling; E. W. Walling, Asst. Cashier.

Pulaski—Commercial Bank & Trust Co.; Mark Arrowsmith, Cashier in place of D. L. Eslick, Tom Moore and J. D. Flautt, Asst. Cashiers.

Ripley—Ripley Savings Bank & Trust Co.; capital increased to $25,000.

Shelbyville—Farmers' Bank; Clifton Smith, Asst. Cashier.

Union City—Commercial Bank; Verna Heffley, Asst. Cashier, resigned.

TEXAS.

Abilene—Citizens' National Bank; W. H. Eddleman, Pres. in place of J. M. Wagstaff; W. G. Swenson, Vice-Pres. in place of G. W. Parks; Geo. L. Paxton, Cashier in place of W. G. Swenson; no Asst. Cashier in place of J. O. Shelton.

Eagle Lake—First National Bank; Wm. Greene, Pres. in place of Charles Davis.

Granger—First National Bank; A. W. Storrs, Pres. in place of Wilford

McDaniel; I. N. Keller, Cashier in place of R. McDaniel.
Runge—Runge National Bank; E. G. Gillett, Pres. in place of J. S. Powell; Wm. Heberer, Cashier in place of J. G. Talk.
San Angelo—Landon National Bank; title changed to Western National Bank.
San Augustine—First National Bank and San Augustine National Bank; reported consolidated under former title.

VERMONT.

Bennington—First National Bank; Homer H. Webster, Asst. Cashier.

VIRGINIA.

Wytheville—Bank of Wytheville; C. W. Gleaves, Cashier.

WASHINGTON.

Ritzville—First National Bank; U. K. Loose, Cashier in place of R. C. Kennedy.

WEST VIRGINIA.

Alderson—First National Bank; J. M. Alderson, Pres. in place of E. F. Hill, deceased; J. S. Hill, Vice-Pres. in place of J. M. Alderson; O. D. Massey, Cashier.
Fayetteville — Fayetteville National Bank; A. W. Hamilton, Vice-Pres. in place of J. T. Gross.
Moundsville—Mercantile Banking & Trust Co.; David Alexander, Cashier in place of T. A. Showacre, resigned.—Marshall County Bank; C. C. Mathews, Cashier in place of H. W. Hunter; James A. Sigafoose, Asst. Cashier.
Parkersburg—Second National Bank; H. P. Dils, Vice-Pres. in place of Joseph Good.
Philippi—First National Bank; J. N. B. Crim, Pres., deceased.
Wellsburg — Wellsburg National Bank; T. H. Marks, Vice-Pres. in place of D. F. Jacob; T. W. Carmichael, Asst. Cashier.

WISCONSIN.

Beloit—State Bank; H. A. Van Oven, Pres. in place of John Paley, deceased.
Frederic—Bank of Frederic; M. A. Scheldrup, Pres.
Menomonie—First National Bank; J. P. McLean, Cashier in place of W. C. Ribenack.
Milwaukee — Milwaukee Clearing House; J. W. P. Lombard, Pres.—Marshall & Ilsley Bank; Gustave Reuss, Pres. in place of Chas. F. Ilsley, deceased; James K. Ilsley, Vice-Pres.; John Campbell, Cashier; John H. Puelicher, Asst. Cashier.

CANADA.

NOVA SCOTIA.

Windsor—Bank of Nova Scotia; H. LeRoy Shaw, Manager, resigned.

ONTARIO.

Ottawa—Imperial Bank of Canada; Montague Anderson, Manager, resigned.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

Birmingham — Alabama National Bank; in voluntary liquidation Jan. 10.

ILLINOIS.

Chicago—Pan-American Banking Co.

INDIANA.

Monticello—Farmers' Bank.
North Liberty—Citizens' Bank.

IOWA.

Everly—Everly Bank.
Grafton—First National Bank; in voluntary liquidation Dec. 23.
Keokuk—Commercial Bank.
Preston — Farmers & Merchants' Bank.

KENTUCKY.

Franklin—J. A. McGoodwin Banking Co.

LOUISIANA.

Jennings—Citizens' Bank.

MICHIGAN.

Albion—First National Bank; succeeded by Albion National Bank.

MINNESOTA.

Faribault—First National Bank; in hands of Receiver Jan. 3.

MISSOURI.

St. Louis—Bankers' World's Fair National Bank; in voluntary liquidation Dec. 15.

OHIO.

Columbus—East End Savings Bank Co.
Mount Pleasant—Mount Pleasant National Bank; in voluntary liquidation Jan. 1.
Niles—City National Bank; in voluntary liquidation Jan. 10; absorbed by First National Bank.

OKLAHOMA.

Hennessey — Hennessey National Bank; in voluntary liquidation Dec. 19.

PENNSYLVANIA.

Lancaster—City Saving Fund & Trust Co.

RHODE ISLAND.

Westerly—National Niantic Bank; in voluntary liquidation Jan. 11.

TENNESSEE.

Tracy City—Grundy County Bank.

TEXAS.

Abilene—American National Bank; in hands of Receiver Jan. 18.
Archer City—First National Bank; in voluntary liquidation Dec. 31.
El Paso—National Exchange Bank; in voluntary liquidation Jan. 1.—Lowdon National Bank; in voluntary liquidation Jan. 1.
Nederland—First National Bank; in hands of Receiver Jan. 26.
Sour Lake—First National Bank; in voluntary liquidation Jan. 10.

UTAH.

Salt Lake City—B. H. Schettler.

WEST VIRGINIA.

Paden City—Paden City Bank.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, February 2, 1905.

A GOOD INVESTMENT DEMAND FOR BONDS and higher prices for securities generally last month were the reflex of the favorable conditions known to exist in the business world. Whatever may be the opinion of the relation of market values to intrinsic values as regards specific properties, the general sentiment is that prosperous conditions exist, and it is not difficult to find evidence of them.

Threatened Congressional legislation affecting the rate-making powers of the railroads has raised pronounced dissent on the part of those identified with the management of the railroads. There is talk of an extra session to be called for the purpose of enacting a law that will give the Government more absolute control over railroad rates, and bills have been introduced in Congress looking to that end. That there has yet been no serious effect felt in the stock market by reason of the agitation is due to the remoteness of the contingency, and perhaps to a general feeling that more conservative notions will yet prevail. It hardly seems possible, however, that the Government should undertake to deprive the railroads of the right to make rates, without precipitating an investors' panic.

A decision in the Northern Securities case by the United States Circuit Court upholds the right of the corporation to distribute its holdings of Northern Pacific and Great Northern stocks pro rata among the stockholders. This decision the Union Pacific interests have appealed from, as it deprives them of the control of the Northern Pacific, which they formerly held. The United States Supreme Court will have to decide the point, and the final determination of the issue will be awaited with no little anxiety.

Another decision last month involves important interests. The United States Supreme Court has decided that the so-called Beef Trust exists in violation of the Anti-Trust law, and restrains the member of the packing-house combination from continuing practices in violation of the law. Upon the enforcement of the decision depends the final outcome of this effort to put in operation the national law against trusts.

The security market has as yet given little heed to either of the decisions referred to. The only setback the market had last month was a temporary one which had its source in the reported revolutionary efforts in Russia, which were roughly handled by the Government. These efforts following the surrender of Port Arthur seemed to presage the end of the war between Russia and Japan, but the progress in that direction is not very rapid.

Events which more ultimately affected investors' interests and commanded their attention occurred nearer home. The settlement of the Fall River cotton mills' strike was announced about the middle of the month. For nearly six months about 25,000 operatives had been in idleness and capital of $25,000,000 had been earning nothing. The direct losses of employes and companies are figured at fully $5,000,000, and this has been lost irretrievably. Whether the Fall River mills will be able to regain their lost prestige in the face of the strong competition of the new mills in the South, is a question which causes considerable apprehension on the part of those who understand the situation.

The railroads have given a number of assuring evidences of their substantial prosperity. The Lehigh Valley, which last August paid its first dividend in eleven years, a semi-annual dividend of one per cent., in

January increased it to two per cent. The Chicago, St. Paul, Minneapolis and Omaha increased its semi-annual dividend from three to three and one-half per cent. The Illinois Central declared its regular semi-annual dividend of three per cent. and an extra dividend of one-half per cent. These are results of increased earnings, similar to those reported by a great many of the railroads.

In the iron and steel industry there has been a marked improvement. The production of pig iron in 1904 fell below that of 1902 or 1903, but at the close of the year was almost double that of a year ago. The output in each half year and for the full year in each of the last four years was as follows:

	1901.	*1902.*	*1903.*	*1904.*
	Tons.	Tons.	Tons.	Tons.
First half	7,674,613	8,808,574	9,707,367	8,173,438
Second half	8,203,741	9,012,733	8,301,885	8,323,595
Year	15,878,354	17,821,307	18,009,252	16,497,033

While the year's output was 1,500,000 tons less than in 1903, the production in the last half of the year was larger than in the corresponding period in the previous year. In December 1,614,349 tons were produced as against only 846,605 tons in December, 1903. In the last quarter of the year the output was 1,200,000 tons greater than in the corresponding period of 1903.

As to the future of pig iron production the present weekly capacity of furnaces in blast give most promising assurance. On January 1 it was 377,879 tons, comparing with 185,636 tons on January 1, 1904, with 346,-073 tons on January 1, 1903, and with 291,992 tons on January 1, 1902.

The United States Steel Corporation last month published its report for the December quarter, and it showed a very great improvement compared with the previous year, although the earnings still fall very much below those of 1902. The net earnings for the quarter were $21,458,734 against $15,037,182 in 1903 and $31,895,759 in 1902. After deducting for interest, sinking funds and depreciation, there was a balance of $10,138,257. Deducting the dividend on preferred stock, $6,304,919, there was a surplus of $3,833,338, which compares with a deficit of $4,251,485 for the corresponding quarter in 1903. The full year totals compared with those of the previous two years were:

	1904.	*1903.*	*1902.*
Net earnings	$72,932,277	$109,171,152	$133,308,764
Sinking funds and depreciation	14,077,450	26,495,366	24,774,390
Balance	$58,854,827	$83,675,786	$108,534,374
Interest and sinking funds	27,568,292	28,259,133	18,227,870
Balance	$31,286,535	$55,416,653	$90,306,504
Preferred dividend	25,219,676	30,404,173	35,720,178
Common dividend	....	12,707,562	20,332,690
Total dividends	$25,219,676	$43,111,735	$56,052,868
Surplus	$6,066,859	$12,304,917	$34,253,657
Employees bonus fund	1,135,029	....	....
Surplus	$4,931,830	$12,304,917	$34,253,657

While the year 1904 shows a falling off even from the previous year, the earnings in the latter part of the year were very much better than in 1903 and the unfilled orders on December 31 were 4,696,203 tons, as compared with 3,215,123 tons a year ago, while prices are higher than they were then.

Under the call issued by the Government last November the depositary banks have been returning the ten per cent. of public deposits which was to be paid by January 15. The entire amount has been paid and also part of the fifteen per cent. call which runs to March 15. The banks to some

extent have taken out circulation against the bonds released by reason of the reduction in public deposits, but not all have availed themselves of the privilege. Some of the bonds that were released had been borrowed by the banks and have probably been returned to their owners.

That the Government is not likely to be a factor in locking up money for some time to come is indicated in the deficit the Treasury is now reporting. In January the revenues were $6,000,000 less than the expenditures, making a deficit for the seven months of the fiscal year of more than $28,000,000. The Government now has an available balance of only about $140,000,000 and $102,000,000 of that amount is in National bank depositaries.

The continued export movement of gold in January has had no effect upon the local money market; one obvious reason for which is that in the last month the United States Treasury has borne the entire brunt of the gold drain. The gold export movement has extended over three months. In November $16,000,000 net was exported and in December $10,000,000 more. The figures for January have not yet been reported. In November nearly all the gold exported was withdrawn from circulation. In December only about $1,000,000, while in January more than $28,000,000 was withdrawn from the United States Treasury and nearly $24,000,000 added to circulation.

The changes in amount of gold in circulation and in the Treasury since November 1 are shown as follows:

MONTH.	*In circulation.*	*Change.*	*In U. S. Treasury.*	*Change.*
November 1	$1,131,986,852	....	$231,060,229	....
December 1	1,117,603,018	Dec. $14,383,834	233,812,615	Inc. $2,752,386
January 1	1,116,288,217	Dec. 1,314,801	229,664,318	Dec. 4,148,297
February 1	1,139,961,871	Inc. 23,673,654	201,244,581	Dec. 28,419,737

Since November 1 the gold in circulation has actually increased nearly $8,000,000, while the gold balance in the United States Treasury has been reduced nearly $30,000,000. This indicates a loss in the total stock of gold of only $22,000,000, or very much less than the gold exported in the three months. With a monthly output from the gold mines of the country of $7,000,000, however, the apparent discrepancy is explainable.

In the preliminary estimates of gold production in 1904 issued by the Director of the Mint last month is to be found a reminder of the important part which our domestic production of gold has played in recent years in strengthening our currency system, or rather its foundation, for in many respects the system is anything but sound or perfect.

The Director of the Mint estimates the gold production of the country at more than $84,500,000, exceeding the yield of all previous years. In 1893 the production was less than $36,000,000 and in 1889 and 1890 was less than $33,000,000. In 1894 and 1895, with a production of only about $86,000,000 in the two years we exported $151,000,000 gold. In the last three years, with a production of $238,000,000, we exported only about $7,000,000. Even in 1904 when our exports of gold exceeded $36,000,000, our production was $48,000,000 more than our exports. In the following table are com-

YEAR.	*Gold production calendar year.*	*Net gold imports or exports calendar year.*	*Gold in the United States December 31.*	*Gold in circulation December 31.*	*Net gold in U. S. Treasury December 31.*
1893	$35,955,000	Exp. $8,922,118	$666,906,590	$586,014,990	$80,891,600
1894	39,500,000	" 80,628,082	625,107,730	538,863,285	96,244,445
1895	46,610,000	" 70,571,010	597,927,254	534,664,986	63,262,268
1896	53,088,000	Imp. 46,474,419	692,947,212	555,630,668	137,316,544
1897	57,363,000	Exp. 253,589	745,037,596	584,126,049	160,911,547
1898	64,463,000	Imp. 141,968,998	949,526,013	732,980,132	246,529,175
1899	71,053,000	" 5,955,553	1,016,009,857	779,100,627	236,909,230
1900	79,171,000	" 12,614,461	1,108,541,829	861,980,507	246,561,322
1901	78,667,000	Exp. 3,022,059	1,176,172,153	913,371,619	262,800,534
1902	80,000,000	Imp. 8,162,726	1,246,876,715	976,099,451	270,777,264
1903	73,591,700	" 20,920,862	1,314,622,524	1,049,050,552	265,571,972
1904	84,551,300	Exp. 36,335,181	1,345,952,535	1,116,288,217	229,664,318

pared the home production of gold, the export and import movement, and the supply of gold in the United States in circulation and in the United States Treasury:

While the gold balance in the Treasury on December 31 was less than at the close of any previous year since 1897, the total supply of gold in the country and in circulation shows a substantial increase over that of a year ago or of any previous year. And in this fact is evidence that a most unusual drain of gold will be required to make any serious inroads upon our supply.

While the United States has increased its gold production, the world's production has also increased. It is estimated that the latter in 1904 approximated $350,000,000, an increase over 1903 of $25,000,000 and of nearly $200,000,000 over the production of 1893.

A most interesting survey of the railroad situation is afforded in the statistics of railway receiverships and foreclosures compiled by the "Chicago Railway Age." The record for the year 1904 is very encouraging, although not so favorable as for the previous year. Receivers were appointed for eight roads with an aggregate mileage of 744 miles and stock and bond capital of $36,069,000. There were thirteen roads sold under foreclosure. They embraced 524 miles of road with a stock and bond capital of $28,266,000. The record of receiverships is less favorable than for any year since 1900, but more favorable than for any other year since 1881. The foreclosure sales were the smallest since 1884 excepting only the year 1903. The figures since 1893, the worst year in the history of the railroads, are as follows:

Year.	Receiverships.			Foreclosures.		
	No. roads.	*Miles.*	*Bonds and stocks.*	*No. roads.*	*Miles.*	*Bonds and stocks.*
1893	74	29,340	$1,781,046,000	25	1,613	$79,924,000
1894	38	7,025	395,791,000	42	5,643	318,999,000
1895	31	4,089	369,075,000	52	12,831	761.791,000
1896	34	5,441	275,597,000	58	13,730	1,150,377,000
1897	18	1,537	92,909,000	42	6,675	517,680,000
1898	18	2,069	138,701,000	47	6,054	252,910,000
1899	10	1,019	52,285,000	32	4,294	267,534,000
1900	16	1,165	78,234,000	24	3,477	190,374,000
1901	4	73	1,627,000	17	1,139	85,808,000
1902	5	278	5,835,000	20	693	39,788,000
1903	9	229	18,823,000	13	555	15,885,000
1904	8	744	36,069,000	13	524	28,266,000

More than 29,000 miles of railroad, with a total capital of $1,781,000,000, went into the hands of receivers in 1893, and in 1896 nearly 14,000 miles, represented by $1,150,000,000 of capital, were sold under foreclosure. The last four years, however, have been almost unparalleled in the freedom from financial embarrassments which the railroads have enjoyed.

MONEY RATES IN NEW YORK CITY.

	Sept. 1.	*Oct. 1.*	*Nov. 1.*	*Dec. 1.*	*Jan 1.*	*Feb. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	⅞–1	1¾–2½	2 –2½	3½–4	2½–5	1¾–2
Call loans, banks and trust companies	1 —	1¾–2½	2 –2½	3½–4	2½—	2 —
Brokers' loans on collateral, 30 to 60 days	2 —	3 —	3 —	4 —	3 - 3¼	2¾—
Brokers' loans on collateral, 90 days to 4 months	2½–3	3¼– ½	3¼– ½	4 —	3¼– ½	3 –3¼
Brokers' loans on collateral, 5 to 7 months	3½—	3½– ¾	3¾–4	4 —	3¼– ½	3¼– ½
Commercial paper, endorsed bills receivable, 60 to 90 days	3½– ¾	4½—	4 –4½	4 –4½	4 –4½	3½–4
Commercial paper prime single names, 4 to 6 months	3¾–4	4½–5	4 –4½	4¼–4¾	4 –4½	3¾–4¼
Commercial paper, good single names, 4 to 6 months	4½–5	5½–6	5½–6	5 –5½	4½–5	4½—

The Money Market.—The money market is very easy and rates are again abnormally low. Gold exports have apparently had no effect on the market, neither has the withdrawal of Government deposits from the banks. At the close of the month call money ruled at 1¾ @ 2 per cent., averaging a fraction below 3 per cent. Banks and trust companies loaned at 2 per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 2¾ per cent. for 60 days, 3 per cent. for 90 days, 3¼ per cent. for 4 to 6 months, and 3½ per cent. for 7 to 8 months, on good mixed collateral. For commercial paper the rates are 3½ @ 4 per cent. for 60 to 90 days' endorsed bills receivable, 3¾ @ 4¼ per cent. for first-class 4 to 6 months' single names, and 4½ per cent. for good paper having the same length of time to run.

New York City Banks.—There was a very large increase in deposits in January as reported by the clearing-house banks. How much of which was due to the operations of the trust companies is not known. The increase since December 31 is $85,000,000, and the increase in loans was nearly $49,000,000. There was a gain of $23,000,000 in specie and of $11,000,000 in legal tenders, making the increase in total reserve $34,000,000. The cash holdings now exceed $324,000,000 as compared with $281,000,000 a year ago, while the surplus reserve, which a month ago was less than $14,000,000 and a year ago $25,000,000, is now nearly $27,000,000.

New York City Banks—Condition at Close of Each Week.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Dec. 31...	$1,066,701,200	$208,554,800	$81,140,900	$1,104,049,100	$13,683,425	$43,145,800	$1,882,620,700
Jan. 7...	1,069,742,700	203,684,000	85,216,400	1,109,168,000	11,608,250	43,172,400	1,855,423,800
" 14...	1,064,336,800	215,591,400	88,657,900	1,119,160,100	24,459,275	43,020,100	1,776,528,700
" 21...	1,098,811,500	224,029,800	90,657,800	1,163,815,200	23,733,800	42,950,700	1,923,996,400
" 28...	1,115,643,200	231,525,200	92,911,500	1,189,828,600	26,979,550	42,882,200	1,607,718,800

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	*1903.*		*1904.*		*1905.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$873,115,000	$10,193,850	$866,178,900	$9,541,850	$1,104,049,100	$13,683,425
February......	931,778,900	27,880,775	1,023,943,800	25,129,050	1,189,828,600	26,979,550
March.........	956,206,400	5,951,900	1,027,920,400	32,150,200	....	....
April..........	894,260,000	6,280,900	1,069,369,400	27,755,050	....	....
May...........	905,760,200	11,181,850	1,114,367,800	33,144,250	....	....
June..........	913,081,800	9,645,150	1,098,953,500	29,692,325	....	....
July	908,719,800	12,923,850	1,152,988,800	36,105,300	....	....
August........	908,864,500	24,060,075	1,204,965,600	55,959,600	....	....
September....	920,123,900	20,677,925	1,207,302,800	57,375,400	....	....
October.......	897,214,400	18,937,500	1,212,977,100	19,913,425	....	....
November....	885,616,600	10,274,150	1,204,434,200	16,793,650	....	....
December.....	841,552,000	6,125,200	1,127,878,100	8,539,075	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,145,989,200 on October 8, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

Non-Member Banks—New York Clearing-House.

Dates.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Dec. 31....	$102,832,800	$118,342,700	$4,664,700	$6,090,600	$14,540,200	$8,345,500	$4,055,325
Jan. 7....	103,367,600	120,174,600	4,548,300	6,231,300	14,177,600	8,712,600	3,626,150
" 14....	103,880,700	120,258,200	4,683,700	6,301,400	14,204,300	8,677,700	3,802,550
" 21....	103,665,500	118,324,500	4,654,000	6,073,400	13,356,200	8,205,500	2,707,975
" 28....	103,426,000	117,131,200	4,469,600	5,960,400	12,887,400	8,192,600	2,227,200

BOSTON BANKS.

DATES.	Loans.	Deposits.	Specie.	Legal Tenders.	Circulation.	Clearings.
Dec. 31........	$182,372,000	$215,302,000	$18,681,000	$6,884,000	$7,392,000	$109,614,700
Jan. 7........	184,381,000	227,389,000	19,980,000	6,950,000	7,401,000	178,478,900
" 14........	189,180,000	227,562,000	20,112,000	7,079,000	7,378,000	152,861,200
" 21........	189,988,000	229,547,000	19,624,000	7,190,000	7,346,000	157,088,800
" 28........	190,196,000	231,588,000	19,337,000	7,033,000	7,527,000	....

PHILADELPHIA BANKS.

DATES.	Loans.	Deposits.	Lawful Money Reserve.	Circulation.	Clearings.
Dec. 31..................	$214,086,000	$252,786,000	$63,714,000	$11,986,000	$122,588,500
Jan. 7..................	213,023,000	257,723,000	67,284,000	11,979,000	123,917,400
" 14..................	213,792,000	258,690,000	69,037,000	11,956,000	128,951,600
" 21..................	214,065,000	262,108,000	72,785,000	11,908,000	142,894,400
" 28..................	214,271,000	260,377,000	72,314,000	11,980,000	122,753,400

MONEY RATES ABROAD.—Open market rates in European money centers are low. The Bank of England has made no change in its printed rate, which remains at 3 per cent. The Bank of Germany on January 10 reduced its rate to 4 per cent. from 5 per cent., the rate which ruled since October 11 last. Discounts of 60 to 90 day bills in London at the close of the month were 2½ per cent., the same as a month ago. The open market rate at Paris was 2½ per cent., unchanged from a month ago, and at Berlin and Frankfort 2½ per cent., against 3½ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Oct. 12, 1904.	Nov. 16, 1904.	Dec. 30, 1904.	Feb. 2, 1905.
Circulation (exc. b'k post bills)..........	£28,403,200	£27,686,270	£28,205,000	£27,558,000
Public deposits..........................	5,029,600	7,173,714	9,104,000	7,421,000
Other deposits..........................	44,240,200	39,439,155	44,321,000	42,641,000
Government securities....................	16,298,100	15,610,005	15,610,000	16,308,000
Other securities.........................	23,645,000	24,706,825	35,464,000	25,471,000
Reserve of notes and coin................	27,098,800	24,185,954	20,173,000	22,825,000
Coin and bullion.........................	37,051,500	33,402,224	29,927,272	35,510,000
Reserve to liabilities..................	54⅞%	51¾%	37¾%	52⅝%
Bank rate of discount....................	3%	3%	3%	3%
Price of Consols (2¾ per cents.)..........	88 3/16	88 3/16	88⅝	88⅛
Price of silver per ounce.................	26 3/16d.	26 13/16d.	28 3/16d.	28⅛d.

FOREIGN BANKS.—The principal banks abroad gained gold last month, with the exception of Russia, which lost $9,000,000. The Bank of England gained $22,000,000 France $7,000,000 and Germany $19,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	December 1, 1904.		January 1, 1905.		February 1, 1905.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England............	£32,550,219	....	£29,927,272	....	£34,402,403	....
France.............	106,815,629	£44,194,558	106,344,282	£44,068,773	107,708,228	£44,055,438
Germany............	37,063,000	13,022,000	36,630,000	12,871,000	40,511,000	13,508,000
Russia.............	100,979,000	6,791,000	102,316,000	6,663,900	100,577,000	5,782,000
Austria-Hungary..	48,877,000	12,110,000	48,423,000	12,247,000	48,401,000	12,537,000
Spain..............	14,870,000	19,977,000	14,897,000	19,973,000	14,914,000	19,954,000
Italy..............	22,112,000	3,170,400	22,170,000	3,166,000	22,369,000	3,227,800
Netherlands........	5,529,000	6,123,700	5,623,300	6,285,800	5,831,900	6,300,700
Nat. Belgium......	3,229,333	1,614,667	3,268,667	1,634,333	3,285,333	1,617,667
Totals..........	£372,025,181	£107,003,325	£369,599,521	£106,929,806	£377,949,864	£106,927,605

Foreign Exchange.—The sterling exchange market has been strong during the entire month, and rates have advanced quite steadily. Considerable gold is going abroad, principally to Paris.

Rates for Sterling at Close of Each Week.

Week ended.	Bankers' Sterling. 60 days.	Bankers' Sterling. Sight.	Cable transfers.	Prime commercial, Long.	Documentary Sterling, 60 days.
Dec. 31	4.8480 @ 4.8490	4.8710 @ 4.8720	4.8775 @ 4.8785	4.84⅛ @ 4.84⅝	4.83¾ @ 4.84⅞
Jan. 7	4.8500 @ 4.8510	4.8730 @ 4.8740	4.8770 @ 4.8775	4.84¾ @ 4.84⅞	4.84 @ 4.85
" 14	4.8515 @ 4.8525	4.8750 @ 4.8760	4.8785 @ 4.8795	4.84⅞ @ 4.85	4.84⅛ @ 4.85¼
" 21	4.8530 @ 4.8540	4.8765 @ 4.8770	4.8795 @ 4.8800	4.85⅛ @ 4.85¼	4.84¼ @ 4.85½
" 28	4.8550 @ 4.8560	4.8790 @ 4.8800	4.8830 @ 4.8835	4.85¼ @ 4.85⅜	4.84½ @ 4.84¾

Foreign Exchange—Actual Rates on or about the First of Each Month.

	Oct. 1.	Nov. 1.	Dec 1.	Jan. 1.	Feb. 1.
Sterling Bankers—60 days	4.83⅜— ½	4.84 — ⅛	4.83⅝— ¾	4.84¾— ⅞	4.85⅝— ¾
" " Sight	4.85½—	4.86⅝— ¾	4.86½—⅝	4.87⅛— ¼	4.88 —
" " Cables	4.85⅞—86	4.87 — ⅛	4.86⅞—87	4.87¾— ⅞	4.88⅜— ½
" Commercial long	4.83⅛— ¼	4.83¼— ¾	4.83¼— ½	4.84½— ⅝	4.85 — ¼
" Docu'tary for paym't.	4.82⅜— 3¼	4.83⅜— 4½	4.83 — 4¼	4.83¾— ⅞	4.84¾— 5½
Paris—Cable transfers	5.17½—	5.15⅝— 3/32	5.16¼—	5.15 3/32— 1/16	5.14⅜—
" Bankers' 60 days	5.20 —19⅝	5.18⅛—	5.18¾—	5.18⅛—	5.17½—16⅞
" Bankers' sight	5.18⅛—	5.15⅝—	5.16⅞—	5.16¼—15⅝	5.15 1/16—15
Swiss—Bankers' sight	5.18⅛—	5.16¼—	5.17½—	5.16⅞—	5.16⅞— ¼
Berlin—Bankers' 60 days	94⅝— ¾	94 15/16—95	94⅞— 15/16	95 1/32—95	94 15/16—95
" Bankers' sight	95 3/16— ¼	95⅝—	95 7/16— ½	95½—	95⅜— 7/16
Belgium—Bankers' sight	5.18⅜— ⅛	5.16⅞—	5.17½—	5.16⅞—	5.16¼—
Amsterdam—Bankers' sight	40 3/16— ¼	40⅜—	40⅜—	40⅜—	40⅜— 7/16
Kronors—Bankers' sight	26.77 —26.79	26.88—26.90	26.83—26.85	26.86—26.88	26 13/16— 15/16
Italian lire—sight	5.18⅛—17½	5.16⅞— ¼	5.16¼—15⅝	5.15⅝—	5.15 —14⅜

Silver.—The London market for silver was weak during the greater part of the month, the price declining from 28⅜d. to 27 9-16d., the latter price being reached on January 12. Subsequently there was a recovery to 28¼d., but the final price of the month was 27 15-16d.

Monthly Range of Silver in London—1903, 1904, 1905.

Month.	1903. High	1903. Low.	1904. High	1904. Low.	1905. High	1905. Low.	Month.	1903. High	1903. Low.	1904. High	1904. Low.	1905. High	1905. Low.
January..	22⅝	21 11/16	27 5/16	25⅛	28 9/16	27 5/16	July......	25⅝	24¼	27	26⅝	....	....
February	22 5/16	21⅞	27⅛	25⅝	28⅜	27 9/16	August ..	26¾	25 5/16	27	26 5/16	....	....
March....	22 13/16	22⅛	26 11/16	25⅛	....	....	Septemb'r	28 7/16	26 3/16	26⅞	26	....	....
April.....	25 3/16	22⅝	25 13/16	24 7/16	....	....	October..	28⅛	27 7/16	26 15/16	26⅛	....	....
May......	25¾	24 5/16	25 13/16	25⅝	....	....	Novemb'r	27⅝	26¼	27 5/16	26¾	....	....
June.....	24 9/16	24⅝	26⅛	25 5/16	....	....	Decemb'r	26⅛	25	....	....	....	....

Foreign and Domestic Coin and Bullion—Quotations in New York.

	Bid.	Asked.		Bid.	Asked.
Sovereigns	$4.85	$4.88	Mexican doubloons	$15.55	$15.65
Bank of England notes	4.85	4.88	Mexican 20 pesos	19.55	19.65
Twenty francs	3.87	3.90	Ten guilders	3.96	4.00
Twenty marks	4.74	4.77	Mexican dollars	.47¼	.49¼
Twenty-five pesetas	4.78	4.82	Peruvian soles	.43¼	.46
Spanish doubloons	15.55	15.65	Chilian pesos	.43¼	.46

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 27 15/16d. per ounce. New York market for large commercial silver bars, 60⅞ @ 62c. Fine silver (Government assay), 61 @ 62½c. The official price was 61c.

National Bank Circulation.—There was an increase in National bank circulation last month of $2,628,697, and an increase in bonds deposited to receive circulation of $5,600,000. Of the latter more than $4,000,000 was 2 per cent. bonds, and this about represents the decrease in this class

of bonds deposited to secure public deposits. The reduction in Government deposits in the banks is having at least a temporary stimulating effect upon bank circulation. About $7,000,000 of bonds altogether were withdrawn as security for public deposits.

National Bank Circulation.

	Oct. 31, 1904.	*Nov. 30, 1904.*	*Dec. 31, 1904.*	*Jan. 31, 1905.*
Total amount outstanding	$457,281,500	$460,679,075	$464,794,156	$467,422,853
Circulation based on U. S. bonds	424,530,581	427,947,505	431,841,785	435,807,901
Circulation secured by lawful money	32,750,919	32,731,570	32,952,371	31,614,952
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	5,857,500	6,650,600	6,898,600	8,155,900
Four per cents. of 1895	1,791,600	1,797,600	1,791,600	1,845,350
Three per cents. of 1898	1,922,940	1,959,040	1,981,040	2,100,040
Two per cents. of 1900	416,972,750	420,668,600	423,256,900	427,427,750
Total	$426,544,790	$431,075,840	$433,928,140	$439,529,040

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $9,601,000; 5 per cents. of 1894, $100,000; 4 per cents. of 1895, $9,258,050; 3 per cents. of 1898, $8,171,000; 2 per cents. of 1930, $68,781,100; District of Columbia 3.65's, 1924, $1,826,000; State and city bonds, $1,411,000; Philippine Island certificates, $3,158,000; Hawaiian Islands bonds, $964,000; Philippine loan, $3,189,000, a total of $105,474,150.

Gold and Silver Coinage.—The mints coined during the first month of the year $7,819,050 gold, $681,012 silver and $78,290 minor coin—a total of $8,578,352. The Philippine coinage amounted to 5,386,000 pieces.

Coinage of the United States.

	1903.		*1904.*		*1905.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
January	$7,635,178	$1,707,000	$2,765,000	$4,657,000	$7,819,050	$681,012
February	7,488,510	1,521,000	35,603,500	1,475,000	....	....
March	6,879,920	1,595,987	63,605,790	1,491,509	....	....
April	137,400	1,809,000	26,177,600	1,158,000	....	....
May	69,000	1,584,000	44,109,000	380,000	....	....
June	610	3,840,222	14,884,400	342,143	....	....
July	....	337,327	....	455,519	....	....
August	450,000	452,000	1,385,000	1,591,000	....	....
September	645,692	1,807,469	14,585,705	1,452,082	....	....
October	1,540,000	2,324,000	29,706,375	843,000	....	....
November	8,794,600	1,401,000	528,780	878,871	....	....
December	10,043,060	1,567,435	51,278	471,487	....	....
Year	$43,683,970	$19,874,440	$233,402,428	$15,695,610	$7,819,050	$681,012

Government Revenues and Disbursements.—January shows a deficit in Government income of more than $6,000,000, making the total deficit since July 1, 1904, about $28,600,000. A year ago there was a deficit in January of nearly $6,800,000, but for the seven months to January 31 there was a surplus of $1,600,000. The total revenues for the month were $1,800,000 greater than the same month in 1904 and expenses were $1,200,000 greater. For the seven months receipts increased $1,600,000 and expenses $31,800,000.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	*January, 1905.*	*Since July 1, 1904.*
Customs	$22,308,861	$154,209,791
Internal revenue	17,299,372	139,185,268
Miscellaneous	3,807,052	27,665,079
Total	$43,410,285	$321,060,138
Excess receipts	*6,218,014	28,597,606

Expenditures.

Source.	*January, 1905.*	*Since July 1, 1904.*
Civil and mis.	$14,572,539	$90,680,152
War	9,901,850	80,845,834
Navy	9,180,915	71,666,803
Indians	1,513,888	8,216,485
Pensions	10,289,574	82,628,239
Interest	4,170,033	16,120,731
Total	$49,628,299	$349,657,744

* Excess expenditures.

UNITED STATES PUBLIC DEBT.—The cash balance in the Treasury was reduced nearly $6,000,000 last month, but a decrease in certificates and notes outstanding made the increase in the net debt less cash in the Treasury less than $4,400,000. In other items of the debt statement there is no important change except a reduction of $1,500,000 in the National bank-note redemption account.

UNITED STATES PUBLIC DEBT.

	Nov. 1, 1904.	*Dec. 1, 1904.*	*Jan. 1, 1905.*	*Feb. 1, 1905.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent.......	$542,909,950	$542,909,950	$542,909,950	$542,909,950
Funded loan of 1907, 4 "	156,593,950	156,593,650	156,593,650	156,593,750
Refunding certificates, 4 per cent.......	28,610	28,610	28,610	28,550
Loan of 1925, 4 per cent..................	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent........	77,135,360	77,135,360	77,135,360	77,135,360
Total interest-bearing debt...........	$895,157,770	$895,157,470	$895,157,470	$895,157,510
Debt on which interest has ceased... ...	1,627,700	1,495,400	1,447,260	1,431,470
Debt bearing no interest:				
Legal tender and old demand notes.....	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct..	32,750,866	32,329,377	31,933,951	30,363,106
Fractional currency.....................	6,869,250	6,868,465	6,868,465	6,868,465
Total non-interest bearing debt......	$386,354,979	$385,932,705	$385,537,279	$383,966,434
Total interest and non-interest debt.	1,283,140,449	1,282,585,575	1,282,142,010	1,280,555,415
Certificates and notes offset by cash in the Treasury:				
Gold certificates.........................	531,479,969	530,780,969	524,684,969	525,959,969
Silver "	478,464,000	477,320,000	477,102,000	474,225,000
Treasury notes of 1890	11,613,000	11,331,000	11,019,000	10,702,000
Total certificates and notes...........	$1,021,556,969	$1,019,431,969	$1,012,805,969	$1,010,886,969
Aggregate debt	2,304,697,418	2,302,017,544	2,294,947,979	2,291,442,384
Cash in the Treasury:				
Total cash assets	1,409,935,390	1,406,519,931	1,402,124,509	1,390,921,067
Demand liabilities.......................	1,113,582,593	1,113,175,273	1,105,531,820	1,100,295,271
Balance	$296,352,797	$293,344,658	$296,592,689	$290,625,796
Gold reserve.............................	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance........................	146,352,797	143,344,658	146,592,689	140,625,796
Total	$296,342,797	$293,344,658	$296,592,689	$290,625,796
Total debt, less cash in the Treasury.....	986,787,652	989,240,917	985,549,321	989,929,619

UNITED STATES FOREIGN TRADE.—The exports of merchandise in December were valued at $145,000,000, or $12,000,000 less than in November, and nearly $30,000,000 less than in December, 1903. Imports exceeded $96,000,-000, a gain of $1,400,000 over November, and of nearly $19,000,000 over December a year ago. The excess of exports over imports was nearly $49,-000,000, a large balance indeed but smaller than for any similar month in the last six years. It was only about one-half of the balance shown in December, 1903. More than $10,000,000 of gold net was exported and $2,-

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF DECEMBER.	MERCHANDISE.				GOLD BALANCE.		SILVER BALANCE.	
	Exports.	*Imports.*	*Balance.*					
1899.................	$123,268,033	$70,733,843	Exp.,	$52,534,190	Exp.,	$6,237,265	Exp.,	$2,674,695
1900.................	145,889,871	68,697,207	"	77,192,664	Imp.,	2,976,078	"	4,240,482
1901.................	136,941,539	79,929,271	"	57,012,268	Exp.,	1,952,601	"	1,934,849
1902.................	147,992,403	94,356,987	"	53,635,416	"	666,476	"	2,845,589
1903.................	174,819,566	77,768,634	"	97,050,932	Imp.,	15,765,642	"	4,436,998
1904.................	145,287,264	96,564,539	"	48,722,725	Exp.,	10,093,231	"	2,039,206
TWELVE MONTHS.								
1899.................	1,275,467,971	798,967,410	Exp.,	476,500,561	Imp.,	5,955,553	Exp.,	22,617,808
1900.................	1,477,946,113	829,149,714	"	648,796,399	"	12,614,461	"	26,121,321
1901.................	1,465,375,860	880,419,910	"	584,955,950	Exp.,	3,022,059	"	24,491,576
1902.................	1,360,685,933	969,316,870	"	391,369,063	Imp.,	8,162,726	"	22,870,019
1903.................	1,484,753,083	995,494,327	"	489,258,756	"	20,920,862	"	16,635,854
1904.................	1,451,352,745	1,035,907,370	"	415,445,375	Exp.	36,335,181	"	24,225,703

000,000 silver, making the net exports of merchandise and specie nearly $61,000,000. For the full calendar year the exports of merchandise were $1,451,000,000, or $33,000,000 less than the high record made in 1903. Imports reached nearly $1,036,000,000, the largest ever reported and the net exports were $415,000,000, the smallest in six years excepting 1902. More than $36,000,000 gold net was exported, and $24,000,000 silver.

MONEY IN CIRCULATION IN THE UNITED STATES.—There was little change in total circulation last month, but gold certificates were increased nearly $24,000,000, while nearly all other forms of money were reduced—$4,000,000 in silver dollars and about $8,000,000 in silver certificates and in United States notes.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Nov. 1, 1904.	*Dec. 1, 1904.*	*Jan. 1, 1905.*	*Feb. 1, 1906.*
Gold coin	$641,793,093	$647,500,549	$649,548,528	$649,527,502
Silver dollars	79,443,123	80,522,882	80,089,395	76,161,750
Subsidiary silver	100,408,128	101,886,384	102,891,827	101,079,480
Gold certificates	490,193,759	470,102,469	466,739,689	490,434,369
Silver certificates	472,713,832	471,584,444	468,017,227	460,250,046
Treasury notes, Act July 14, 1890	11,551,887	11,268,930	10,940,054	10,594,798
United States notes	342,132,421	342,623,637	342,287,627	334,463,020
National bank notes	445,240,418	448,881,072	449,157,278	446,538,205
Total	$2,583,476,661	$2,573,888,367	$2,569,621,125	$2,569,049,165
Population of United States	82,329,000	82,445,000	82,562,000	82,678,000
Circulation per capita	$31.38	$31.22	$31.12	$31.07

MONEY IN THE UNITED STATES TREASURY.—The Treasury lost about $1,500,000 on balance, and its net gold holdings were reduced $6,000,000. It gained about $4,000,000 in silver dollars, $2,000,000 in fractional silver, $8,000,000 in United States notes, and $5,000,000 in National bank notes.

MONEY IN THE UNITED STATES TREASURY.

	Nov. 1, 1904.	*Dec. 1, 1904.*	*Jan. 1, 1905.*	*Feb. 1, 1905.*
Gold coin and bullion	$721,253,988	$703,915,064	$696,404,007	$691,678,950
Silver dollars	488,352,466	487,272,707	487,756,494	491,634,139
Silver bullion	2,494,572	1,970,303	1,708,079	1,248,700
Subsidiary silver	10,585,044	9,808,023	9,280,167	11,563,194
United States notes	4,548,595	4,057,379	4,393,389	12,217,996
National bank notes	12,041,062	12,298,003	15,636,878	20,884,648
Total	$1,239,275,747	$1,219,321,499	$1,215,179,014	$1,229,227,627
Certificates and Treasury notes, 1890, outstanding	974,459,478	952,973,843	945,696,970	961,279,208
Net cash in Treasury	$264,816,269	$266,347,656	$269,482,044	$267,948,419

SUPPLY OF MONEY IN THE UNITED STATES.—The exports of gold caused a decrease in the total supply of about $4,750,000. An increase in National bank notes reduced the loss in the total supply of money to about $2,000,000.

SUPPLY OF MONEY IN THE UNITED STATES.

	Nov. 1, 1904.	*Dec. 1, 1904.*	*Jan. 1, 1905.*	*Feb. 1, 1905.*
Gold coin and bullion	$1,363,047,081	$1,351,415,633	$1,345,952,535	$1,341,206,452
Silver dollars	567,795,589	567,795,589	567,795,889	567,795,889
Silver bullion	2,494,572	1,970,303	1,708,079	1,248,700
Subsidiary silver	110,993,172	111,694,407	112,171,494	112,642,674
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	457,281,500	460,679,075	464,794,156	467,422,853
Total	$2,848,292,930	$2,840,236,023	$2,839,103,169	$2,836,997,584

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of January, and the highest and lowest during the year 1905, by dates, and also, for comparison, the range of prices in 1904:

	Year 1904.		Highest and Lowest in 1905.		January, 1905.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	89¼	64	88⅞—Jan. 31	84⅛—Jan. 25	88⅞	84⅛	88½
" preferred	104⅛	87⅝	102 —Jan. 31	99 —Jan. 25	102	99	101¼
Baltimore & Ohio	105¼	72⅛	106 —Jan. 3	100⅛—Jan. 25	106	100⅛	102¼
Baltimore & Ohio, pref	96½	87⅝	97 —Jan. 16	95¾—Jan. 12	97	95¾	96½
Brooklyn Rapid Transit	70½	38	64¾—Jan. 17	58½—Jan. 25	64¾	58½	60½
Canadian Pacific	135¾	109⅛	134⅝—Jan. 16	130¾—Jan. 25	134⅝	130¾	133⅝
Canada Southern	72	64	72⅞—Jan. 31	67⅛—Jan. 11	72⅞	67⅛	72
Central of New Jersey	194¾	154½	196½—Jan. 30	190¼—Jan. 3	196½	190¼	196
Ches. & Ohio	51	28¼	50¼—Jan. 18	46⅝—Jan. 25	50¼	46⅝	49⅝
Chicago & Alton	47¼	33	43½—Jan. 4	40⅛—Jan. 13	43½	40⅛	43
" preferred	85¼	75	83¼—Jan. 4	80 —Jan. 25	83¼	80	82¾
Chicago, Great Western	26¼	12⅞	24¼—Jan. 4	21⅞—Jan. 25	24¼	21⅞	23½
Chic., Milwaukee & St. Paul	177⅝	137⅛	178⅜—Jan. 31	171¼—Jan. 6	178⅜	171¼	177½
" preferred	183⅞	173	192 —Jan. 31	182½—Jan. 13	192	182½	192
Chicago & Northwestern	214½	161½	249 —Jan. 31	205⅛—Jan. 6	249	205⅛	246½
" preferred	237	207	265 —Jan. 31	234 —Jan. 13	265	234	263
Chicago Terminal Transfer	16¼	5¼	19¼—Jan. 31	7¾—Jan. 5	19¼	7¾	18⅞
" preferred	27¾	11½	32¾—Jan. 28	17½—Jan. 4	32¾	17½	31¾
Clev., Cin., Chic. & St. Louis	93⅜	68½	102¼—Jan. 30	90 —Jan. 14	102¼	90	99¼
Col. Fuel & Iron Co	58⅜	25½	48⅝—Jan. 4	48 —Jan. 25	48⅝	43	47¾
Colorado Southern	24⅝	13½	25⅝ Jan. 30	22¼—Jan. 20	25⅝	22¼	25
" 1st preferred	63	48	63½—Jan. 31	60⅛—Jan. 11	63½	60⅛	63½
" 2d preferred	37½	17⅞	37½—Jan. 31	35 —Jan. 27	37½	35	37
Consolidated Gas Co	220	185	204¼—Jan. 30	194½—Jan. 9	204¼	194½	203
Delaware & Hud. Canal Co	190½	149	186 —Jan. 3	180¼—Jan. 25	186	180¼	184⅝
Delaware, Lack. & Western	359¾	250½	345 —Jan. 5	335 —Jan. 25	345	335	341
Denver & Rio Grande	35⅞	18	33⅛—Jan. 14	30⅝—Jan. 27	33⅛	30⅝	32
" preferred	89	64½	86⅞—Jan. 4	85 —Jan. 23	86⅞	85	86⅝
Detroit Southern	14¾	1½	9⅞—Jan. 24	6½—Jan. 3	9⅞	6½	8½
" preferred	33½	2¾	36 —Jan. 18	31½—Jan. 26	36	31½	35
Duluth So. S. & Atl., pref	28½	9¼	37 —Jan. 21	25 —Jan. 3	37	25	36
Erie	41⅝	21½	44⅝—Jan. 28	37⅝—Jan. 3	44⅝	37⅝	43½
" 1st pref	77	55⅝	82½—Jan. 30	75¼—Jan. 3	82½	75¼	79¾
" 2d pref	58½	33	67¼—Jan. 28	55½—Jan. 3	67¼	55½	65¾
Evansville & Terre Haute	83	54	72⅛—Jan. 16	68 —Jan. 10	72⅛	68	70
Express Adams	250	220	245 —Jan. 25	236 —Jan. 9	245	236	245
" American	219	180	234 —Jan. 31	209½—Jan. 4	234	209½	234
" United States	126	100	125 —Jan. 11	120 —Jan. 9	125	120	125
" Wells, Fargo	250	200	247½—Jan. 24	235 —Jan. 3	247½	235	247½
Hocking Valley	94	60	91 —Jan. 4	86⅝—Jan. 18	91	86⅝	89½
" preferred	95	77	93⅞—Jan. 7	90 —Jan. 18	93⅞	90	90½
Illinois Central	159	125¾	160¾—Jan. 31	152¾—Jan. 25	160¾	152¾	159¾
Iowa Central	33	14	31⅝—Jan. 21	29 —Jan. 30	31⅝	29	31
" preferred	59¾	32	58 —Jan. 21	55 —Jan. 5	58	55	57½
Kansas City Southern	31⅞	16½	31¼—Jan. 31	27½—Jan. 7	31¼	27½	30
" preferred	56¾	31	65⅜—Jan. 31	52 —Jan. 3	65⅜	52	64½
Kans. City Ft. S. & Mem. pref	83½	64⅛	82½—Jan. 5	81¾—Jan. 25	82½	81¾	82
Louisville & Nashville	148¾	101	142½—Jan. 20	134½—Jan. 25	142½	134½	138
Manhattan consol	169½	139¾	172 —Jan. 13	165 —Jan. 3	172	165	170¼
Metropolitan securities	96½	72¼	79⅝—Jan. 4	73 —Jan. 9	79⅝	73	77¼
Metropolitan Street	130⅝	104¾	121½—Jan. 3	114⅛—Jan. 9	121½	114⅛	116
Mexican Central	23⅝	5	24½—Jan. 9	21⅛—Jan. 25	24½	21⅛	22⅛
Minneapolis & St. Louis	67¾	40	60 —Jan. 17	56½—Jan. 12	60	56½	60
" preferred	96½	80	87½—Jan. 28	86 —Jan. 19	87½	86	87½
Minn., S. P. & S.S. Marie	95	55	99¼—Jan. 27	89½ - Jan. 11	99¼	89½	97⅞
" preferred	150	116	160 —Jan. 31	148 —Jan. 13	160	148	160
Missouri, Kan. & Tex	36⅝	14⅝	33¼—Jan. 18	30 —Jan. 24	33¼	30	32
" preferred	65¼	32¼	67⅝—Jan. 18	62 —Jan. 10	67⅝	62	65⅞
Missouri Pacific	111½	87	108½—Jan. 4	104½—Jan. 25	108½	104½	106¾
Natl. of Mexico, pref	45½	34¾	45 —Jan. 16	40½—Jan. 4	45	40½	43
" 2d preferred	25½	15⅞	24½—Jan. 10	21½—Jan. 25	24½	21½	22½
N. Y. Cent. & Hudson River	145½	112⅞	149¼—Jan. 31	141¾—Jan. 3	149¼	141¾	149
N. Y., Chicago & St. Louis	47	25	46½—Jan. 31	42 —Jan. 20	46½	42	46
" 2d preferred	78	60	82 —Jan. 31	75 —Jan. 18	82	75	82

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1904.		HIGHEST AND LOWEST IN 1905.		JANUARY, 1905.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western.....	47⅞	19⅝	45¼—Jan. 19	40⅝—Jan. 5	45¼	40⅝	44
Norfolk & Western...........	80¾	53½	80⅞—Jan. 3	77⅛—Jan. 25	80⅞	77⅛	79¼
" preferred...........	95	88	94 —Jan. 31	92 —Jan. 14	94	92	94
North American Co...........	107	80	104 —Jan. 31	98 —Jan. 20	104	98	103¾
Pacific Mail....................	55	24	49¼—Jan. 4	42 —Jan. 25	49¼	42	43
Pennsylvania R. R............	140	111½	139½—Jan. 3	135 —Jan. 25	139½	135	138⅛
People's Gas & Coke of Chic.	112⅛	92¾	108⅝—Jan. 16	105¼—Jan. 25	108⅝	105¼	107¼
Pullman Palace Car Co.......	244	209	248 —Jan. 14	237 —Jan. 3	248	237	245
Reading........................	82⅝	38¾	90⅜—Jan. 19	79 —Jan. 13	90⅜	79	88⅛
" 1st prefered..........	92	76	93¼—Jan. 19	91½—Jan. 27	93¼	91½	92
" 2d preferred.........	85	55¼	89 —Jan. 19	84 —Jan. 5	89	84	87
Rock Island...................	37¾	19⅛	37⅞—Jan. 18	33⅞—Jan. 25	37⅞	33⅞	35⅜
" preferred............	86⅜	57¾	85 —Jan. 4	79¾—Jan. 25	85	79¾	81⅛
St. L. & San Fran. 2d pref....	72⅛	39¼	71⅞—Jan. 4	70 —Jan. 6	71⅞	70	71¼
St. Louis & Southwestern....	29	9½	27½—Jan. 20	24½—Jan. 6	27½	24½	25½
" preferred...........	60¾	25⅜	63⅛—Jan. 20	57 —Jan. 12	63⅛	57	60¼
Southern Pacific Co...........	68¾	41½	68⅝—Jan. 16	63¾—Jan. 6	68⅝	63¾	66½
Southern Railway............	37⅛	18¼	36 —Jan. 3	32¾—Jan. 25	36	32¾	34¼
" preferred...........	97½	77½	97¾—Jan. 31	96 —Jan. 13	97¾	96	97¼
Tennessee Coal & Iron Co....	77½	31⅝	73⅛—Jan. 31	68 —Jan. 25	73⅛	68	72½
Texas & Pacific................	38⅛	20	35⅞—Jan. 4	32⅞—Jan. 25	35⅞	32⅞	34½
Toledo, St. Louis & Western..	38	21½	36¾—Jan. 6	35¼—Jan. 18	36¾	35¼	36¼
" preferred...........	57¼	32	54½—Jan. 4	51¾—Jan. 25	54½	51¾	54
Union Pacific.................	117	71	123½—Jan. 30	113 —Jan. 6	123½	113	122⅛
" preferred...........	98	86½	98⅝—Jan. 4	97 —Jan. 9	98⅝	97	97¾
Wabash R. R..................	25	15	22⅛—Jan. 27	20½—Jan. 25	22⅛	20½	21⅞
" preferred...........	48⅛	32¾	44⅛—Jan. 16	41 —Jan. 25	44⅛	41	43⅝
Western Union................	94½	85	95¼—Jan. 4	92 —Jan. 17	95¼	92	92¼
Wheeling & Lake Erie........	22⅝	14⅛	19½—Jan. 4	17⅝—Jan. 24	19½	17⅝	18¾
" second preferred....	32	21⅛	27 —Jan. 31	25¼—Jan. 9	27	25¼	26¾
Wisconsin Central............	25	16	24¾—Jan. 31	21½—Jan. 3	24¾	21½	24⅛
" preferred...........	49⅝	37	54 —Jan. 31	45 —Jan. 13	54	45	52¼
"INDUSTRIAL"							
Amalgamated Copper.........	82¾	43⅛	77¼—Jan. 16	70 —Jan. 25	77¼	70	74⅝
American Car & Foundry....	35½	14¾	34½—Jan. 3	31¼—Jan. 24	34½	31¼	33½
" pref..................	94¾	67	94⅞—Jan. 3	91¼—Jan. 25	94⅞	91¼	93½
American Co. Oil Co..........	37⅞	24¼	36½—Jan. 3	33¼—Jan. 25	36½	33¼	33¾
American Ice..................	9¾	6	6⅞—Jan. 31	6⅛—Jan. 9	6⅞	6⅛	6⅜
American Locomotive........	36⅜	16½	38 —Jan. 30	33 —Jan. 25	38	33	36⅝
" preferred...........	105	75½	111⅞—Jan. 27	103¾—Jan. 5	111⅞	103¾	110½
Am. Smelting & Refining Co.	82½	46	86¾—Jan. 30	79¾—Jan. 9	86¾	79¾	85¾
" preferred...........	115	88¾	119⅞—Jan. 30	111¼—Jan. 13	119⅞	111¼	119¼
Am. Steel & Foundries........	15¼	8½	18 —Jan. 20	12¾—Jan. 6	18	12¾	15¾
" pref..................	57¼	28	65 —Jan. 20	52¾—Jan. 6	65	52¾	62
American Sugar Ref. Co......	153	122¼	144¾—Jan. 20	138⅝—Jan. 25	144¾	138⅝	142⅝
Anaconda Copper Mining....	120⅞	61	112⅞—Jan. 11	103¼—Jan. 25	112⅞	103¼	109
Continental Tobacco Co. pref.	131	101½	132⅝—Jan. 31	131 —Jan. 21	132⅝	131	132⅝
Corn Products................	26¼	9¾	21¾—Jan. 10	17¾—Jan. 25	21¾	17¾	20¼
" preferred...........	82¼	65	79 —Jan. 10	74 —Jan. 25	79	74	76
Distillers securities...........	40½	19½	39¼—Jan. 5	34⅞—Jan. 25	39¼	34⅞	36⅞
General Electric Co...........	194½	151	190¾—Jan. 16	181½—Jan. 24	190¾	181½	186½
International Paper Co......	25⅝	10¼	23⅞—Jan. 16	20⅛—Jan. 25	23⅞	20⅛	22¼
" preferred...........	79⅞	64⅛	78 —Jan. 19	76⅛ Jan. 3	78	76⅛	77½
National Biscuit..............	59½	36	56½—Jan. 5	54½—Jan. 25	56½	54½	54¾
National Lead Co.............	28¼	14⅛	27½—Jan. 27	24½—Jan. 5	27½	24½	27⅛
Pressed Steel Car Co..........	44⅛	24¼	38¾—Jan. 6	35 —Jan. 25	38¾	35	36¾
" preferred...........	92	67	92¼—Jan. 27	88 —Jan. 25	92¼	88	91½
Republic Iron & Steel Co.....	18¼	6	17⅝—Jan. 3	15 —Jan. 23	17⅝	15	16
" preferred...........	78½	37	71¾—Jan. 4	67 —Jan. 23	71¾	67	69
Rubber Goods Mfg. Co........	29⅞	14¾	28¼—Jan. 10	25⅛—Jan. 24	28¼	25⅛	27⅛
" preferred...........	98	74¾	95½—Jan. 4	94 —Jan. 25	95½	94	94
U. S. Leather Co..............	20¾	6⅛	14⅝—Jan. 16	12⅛—Jan. 9	14⅝	12⅛	13¾
" preferred...........	106½	75⅝	102½—Jan. 16	100¾—Jan. 31	102½	100¾	102⅛
U. S. Rubber Co...............	34½	10⅛	38¾—Jan. 10	33¾—Jan. 3	38¾	33¾	37¼
" preferred...........	100	41	101¼—Jan. 11	98⅜—Jan. 6	101¼	98⅜	100¾
U. S. Steel......................	33⅛	8⅜	31¼—Jan. 17	28¼—Jan. 25	31¼	28¼	30⅜
" pref......................	95⅝	51¼	95¾—Jan. 31	91⅛—Jan, 7	95¾	91⅛	95⅝

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
Ann Arbor 1st g 4's	1995	7,000,000	Q J	98	Jan. 27,'05	98	96⅛	140,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	104⅛	Jan. 31,'05	104⅛	103⅝	679,500
" registered			A & O	101	Dec. 27,'04			
" adjustment, g. 4's	1995	25,616,000	NOV	95¾	Jan. 31,'05	95¾	94⅝	95,500
" registered			NOV	82½	Jan. 26,'04			
" stamped	1995	26,112,000	M & N	95¾	Jan. 31,'05	96	94⅝	158,000
" serial debenture 4's—								
" series C	1905	2,500,000	F & A					
" registered			F & A					
" series D	1906	2,500,000	F & A	99	Aug. 15,'04			
" registered			F & A					
" series E	1907	2,500,000	F & A	99¾	Oct. 18,'04			
" registered			F & A					
" series F	1908	2,500,000	F & A	99⅛	Nov. 3,'04			
" registered			F & A					
" series G	1909	2,500,000	F & A	99¼	Dec. 19,'04			
" registered			F & A					
" series H	1910	2,500,000	F & A	99½	Jan. 10,'05	99½	99½	3,000
" registered			F & A					
" series I	1911	2,500,000	F & A	98⅛	Nov. 23,'04			
" registered			F & A					
" series J	1912	2,500,000	F & A					
" registered			F & A					
" series K	1913	2,500,000	F & A	97	Oct. 26,'04			
" registered			F & A					
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02			
" registered			F & A					
" East. Okla. div. 1st g. 4's	1928	6,128,000	M & S	99¼	Jan. 23,'05	99¼	99¼	10,000
" " registered			M & S					
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S					
Atlan. Coast Line R. R. Co. 1st g. 4's	1952	36,844,000	M & S	101¾	Jan. 31,'05	102⅛	101	666,000
" registered			M & S	92	Feb. 15,'04			
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 18,'99			
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	125⅛	Nov. 30,'03			
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04			
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	114¼	Oct. 18,'04			
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	93	July 14,'04			
Sil. Sps Oc. & G. RR. & ld g. gtd g. 4s	1918	1,067,000	J & J	97¾	Oct. 5,'04			
Balt. & Ohio prior lien g. 3½s	1925	72,798,000	J & J	95¼	Jan. 31,'05	96	94⅛	316,000
" registered			J & J	96	Nov. 7,'04			
" g. 4s	1948	70,963,000	A & O	104¾	Jan. 31,'05	104¾	103⅝	365,500
" g. 4s. registered			A & O	104⅛	Jan. 16,'05	104⅛	104⅛	10,000
" ten year c. deb. g. 4's	1911	592,000	M & S	105	Jan. 19,'05	106¼	105	29,000
Pitt Jun. & M. div. 1st g. 3½s	1925	11,298,000	M & N	92¼	Jan. 31,'05	92¼	91⅛	9,000
" registered			Q Feb					
Pitt L. E. & West Va. System refunding g 4s	1941	27,000,000	M & N	100	Jan. 30,'05	100⅛	99¼	473,500
" Southw'n div. 1st g. 3½s	1925	43,590,000	J & J	92⅝	Jan. 31,'05	93	92⅝	557,500
" registered			Q J	90¼	July 16,'01			
Monongahela River 1st g. g., 5's	1919	700,000	F & A	105⅛	Mar. 11,'04			
Cen. Ohio. Reorg. 1st c. g. 4½'s	1908	1,009,000	M & S	108	Sept. 7,'04			
Ptsbg Clev. & Toledo, 1st g. 6's	1922	515,000	A & O	119⅛	Mar. 7,'04			
Pittsburg & Western, 1st g. 4's	1917	688,000	J & J	100	Nov. 15,'04			
" J. P. Morgan & Co. cer		1,921,000		100	Sept. 22,'04			
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	115⅛	Dec. 2,'04			
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O					
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02			
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	126⅛	Jan. 30,'05	126⅛	126⅛	2,000
" cons. 1st 6's	1922	3,920,000	J & D	124¾	Jan. 5,'05	124¾	124¾	1,000
Buff. & Susq. 1st refundg g. 4's	1951	4,317,000	J & J	99	Jan. 18,'05	99	98⅝	33,000
" registered			J & J					

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NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JANUARY SALES. *High.*	JANUARY SALES. *Low.*	JANUARY SALES. *Total.*
Canada Southern 1st int. gtd 5's	1908	14,000,000	J & J	103¼	Jan. 31,'05	103½	102½	152,000
" 2d mortg. 5's	1913	6,000,000	M & S	107½	Jan. 31,'05	108	107	18,000
" registered			M & S	107	July 11,'04	....	....	....
Central Branch U. Pac. 1st g. 4's	1948	2,500,000	J & D	94	Jan. 4,'05	94	94	1,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	121	Jan. 24,'04	121	121	22,000
" registered $1,000 & $5,000			F & A	....	....	....	....	....
" con. g. 5's	1945	16,700,000	M & N	113¾	Jan. 31,'05	113¾	113	319,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	107	June 14,'04	....	....	....
" 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	93	Jan. 30,'05	92	90	104,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	70	Jan. 31,'05	73¼	69½	566,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	59	Jan. 30,'05	62½	57	229,000
" Chat. div. pur. my. g. 4's	1951	2,057,000	J & D	95	Jan. 18,'05	95	95	1,000
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
" Mid. Ga. & Atl. div. g 5s	1947	413,000	J & J	102	June 29,'99	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	107¼	Aug. 2,'04	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	110	Jan. 5,'05	110	110	5,000
Central of New Jersey, gen. g. 5's	1987	27,419,000	J & J	135¾	Jan. 31,'05	135¾	134	20,000
" registered			Q J	134	Jan. 23,'05	134	133¼	31,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	113	Jan. 27,'05	113	113	1,000
Lehigh & H. R. gen. gtd g. 5's	1920	1,062,000	J & J	....	....	....	....	....
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	104¼	Jan. 7,'05	104¼	103¾	3,000
" con. extended gtd. 4½'s	1910	12,175,000	Q M	102¼	Jan. 19,'05	102¼	101¾	14,000
N.Y. & Long Branch gen. g. 4's	1941	1,500,000	M & S	....	....	....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	107½	Jan. 18,'05	107½	107½	3,000
" Mortgage gold 6's	1911	2,000,000	A & O	111½	July 27,'04	....	....	....
" 1st con. g. 5's	1939	25,858,000	M & N	119¼	Jan. 31,'05	119½	118⅞	116,000
" registered			M & N	117½	Oct. 11,'04	....	....	....
" Gen. m. g. 4½'s	1992	38,573,000	M & S	108¾	Jan. 31,'05	109	107½	519,000
" registered			M & S	95	Dec. 22,'03	....	....	....
" Craig Val. 1st g. 5's	1940	650,000	J & J	112	May 14,'03	....	....	....
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	102⅜	Jan. 31,'05	102⅜	101⅝	13,000
" 2d con. g. 4's	1989	1,000,000	J & J	98	Dec. 27,'04	....	....	....
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	106½	Oct. 29,'02	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	95½	Sept. 20,'04	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	31,988,000	A & O	84⅞	Jan. 31,'05	85	84⅜	85,000
" " registered			A & O	....	....	....	....	....
Chic. & Alton Ry 1st lien g. 3½'s	1950	22,000,000	J & J	82	Jan. 31,'05	83	80½	536,000
" registered			J & J	83	Oct. 26,'02	....	....	....
Chicago, Burl. & Quincy:								
" Chic. & Iowa div. 5's	1905	3,320,000	F & A	104¾	Apr. 11,'91	....	....	....
" Denver div. 4's	1922	4,783,000	F & A	102	Jan. 24,'05	102	101¾	4,000
" Illinois div. 3½s	1949	50,835,000	J & J	96¼	Jan. 27,'05	96½	95½	106,000
" registered			J & J	90½	Apr. 16,'04	....	....	....
" Illinois div. 4s	1949	5,992,000	J & J	105¾	Aug. 8,'04	....	....	....
" (Iowa div.) sink. f'd 5's	1919	2,449,000	A & O	110¼	Jan. 5,'05	110¼	110¼	2,000
" 4's	1919	8,049,000	A & O	102	Nov. 1,'04	....	....	....
" Nebraska extensi'n 4's	1927	25,344,000	M & N	106¼	Jan. 16,'05	107	106¼	6,000
" registered			M & N	105	Dec. 2,'03	....	....	....
" Southwestern div. 4's	1921	3,550,000	M & S	100¾	Feb. 8,'04	....	....	....
" 4's joint bonds	1921	215,223,000	J & J	100⅞	Jan. 31,'05	101½	99	3,904,000
" " registered			Q JAN	100½	Jan. 27,'05	101⅛	98½	89,000
" 5's, debentures	1913	9,000,000	M & N	107	Jan. 27,'05	107	107	10,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	118½	Dec. 15,'04	....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	105	Jan. 9,'05	107	105	11,000
" small bonds			J & D	103½	July 8,'04	....	....	....
" 1st con. 6's, gold	1934	2,653,000	A & O	134½	Jan. 24,'05	134½	133½	15,000
" gen. con. 1st 5's	1937	16,529,000	M & N	120	Jan. 27,'05	121	118¾	14,000
" registered			M & N	119½	Apr. 13,'03	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	117	Sept. 1,'04	....	....	....
Chicago, Indianapolis & Louisville.								
" refunding g. 6's	1947	4,700,000	J & J	134¾	Jan. 26,'05	134¾	134	20,000
" ref. g. 5's	1947	4,742,000	J & J	117½	Nov. 18,'04	....	....	....
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	109½	Jan. 12,'05	109½	109½	2,000
Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's	1905	991,000	J & J	180	Jan. 30,'05	180	178	3,000
" terminal g. 5's	1914	4,748,000	J & J	109¾	Jan. 19,'05	109¾	109¾	1,000
" gen. g. 4's, series A	1989	23,676,000	J & J	112	Jan. 26,'05	112	112	5,000
" registered		....	Q J	109½	June 18,'04	....	....	....

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• gen. g. 3½'s, series B.1989	2,500,000	J & J	98⅜	Jan. 9,'05	98⅛	98⅛	5,000
• registered....................		J & J	....	....	....	....	....
• Chic. & Lake Sup. 5's, 1921	1,360,000	J & J	116⅛	Apr. 29,'03	....	....	....
• Chic. & M. R. div. 5's, 1926	3,083,000	J & J	118⅛	Jan. 17,'05	118⅛	118⅛	5,000
• Chic. & Pac. div. 6's, 1910	3,000,000	J & J	110¼	Jan. 17,'05	110¼	110	4,000
• 1st Chic. & P. W. g. 5's.1921	25,340,000	J & J	116⅞	Jan. 25,'05	117¼	116	13,000
• Dakota & Gt. S. g. 5's.1916	2,856,000	J & J	112⅜	Jan. 24,'05	112⅜	112⅜	15,000
• Far. & So. g. 6's assu...1924	1,250,000	J & J	137⅛	July 18,'98	....	....	....
• 1st H'st & Dk. div. 7's, 1910	5,680,000	J & J	114¾	Jan. 11,'05	114¾	114¾	1,000
• 1st 5's 1910	990,000	J & J	106	Aug. 3,'04	....	....	....
• 1st 7's, Iowa & D. ex. 1908	891,000	J & J	169	Mar. 14,'04	....	....	....
• 1st 5's, La. C. & Dav...1919	2,500,000	J & J	113	Aug.31,'03	....	....	....
• Mineral Point div. 5's, 1910	2,840,000	J & J	107⅜	Oct. 18,'04	....	....	....
• 1st So. Min. div. 6's....1910	7,432,000	J & J	110¼	Jan. 24,'05	110⅛	110¼	10,000
• 1st 6's, Southw'n div., 1909	4,000,000	J & J	109⅛	Jan. 30,'05	109⅛	109⅛	1,000
• Wis. & Min. div. g. 5's.1921	4,755,000	J & J	115⅝	Jan. 24,'05	115⅝	115½	4,000
• Mil. & N. 1st M. L. 6's.1910	2,155,000	J & D	110⅛	Dec. 14,'04	....	....	....
• 1st con. 6's.............1913	5,092,000	J & D	116⅛	Jan. 5,'05	116⅛	116⅛	1,000
Chic. & Northwestern con. 7's...1915	12,832,000	Q F	129¼	Jan. 31,'05	129½	129¼	13,000
• extension 4's.....1886-1926	18,632,000	F A 15	104⅛	Dec. 27,'04	....	....	....
• registered....................		F A 15	102⅝	May 11,'04	....	....	....
• gen. g. 3½'s...........1987	20,538,000	M & N	100	Jan. 30,'05	100¼	99⅝	70,000
• registered		Q F	103	Nov.19,'98	....	....	....
• sinking fund 6's..1879-1929	5,686,000	A & O	116	Dec. 21,'04	....	....	....
• registered....................		A & O	111⅛	Dec. 11,'03	....	....	....
• sinking fund 5s'..1879-1929	6,769,000	A & O	110¾	Dec. 20,'04	....	....	....
• registered....................		A & O	107	Mar. 28,'04	....	....	....
• deben. 5's..............1909	5,900,000	M & N	105	Jan. 30,'05	105	104⅛	9,000
• registered....................		M & N	104	Mar. 3,'04	....	....	....
• deben. 5's..............1921	10,000,000	A & O	112⅛	Jan. 9,'05	112⅛	112⅛	1,000
• registered....................		A & O	108¾	Jan. 12,'04	....	....	....
• sinking f'd deben. 5's.1933	9,800,000	M & N	115⅝	Dec. 19,'04	....	....	....
• registered....................		M & N	115¼	Nov.19,'04	....	....	....
Des Moines & Minn. 1st 7's.....1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's...1905	1,600,000	M & S	104⅛	Nov.17,'02	....	....	....
Northern Illinois 1st 5's........1910	1,500,000	M & S	105⅛	May 23,'04	....	....	....
Ottumwa C. F. & St. P. 1st 5's..1909	1,600,000	M & S	105⅝	Nov. 17,'03	....	....	....
Winona & St. Peters 2d 7's.....1907	1,592,000	M & N	109¾	June18,'04	....	....	....
Mil., L. Shore & We'n 1st g. 6's.1921	5,000,000	M & N	129¼	Jan. 20,'05	129¼	129¼	1,000
• ext. & impt. s.f'd g. 5's1929	4,148,000	F & A	119¼	Nov.15,'04	....	....	....
• Ashland div. 1st g. 6's 1925	1,000,000	M & S	142⅛	Feb. 10,'02	....	....	....
• Michigan div. 1st g. 6's.1924	1,281,000	J & J	131⅛	Jan. 5,'05	131⅛	131⅛	2,000
• con. deb. 5's...........1907	436,000	F & A	103	Apr. 8,'04	....	....	....
• incomes..............1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...1917	12,500,000	J & J	122¾	Jan. 11,'05	122¾	122⅛	4,000
• registered..............1917		J & J	124	Nov.16,'04	....	....	....
• gen. g. 4's..............1988	61,581,000	J & J	105⅞	Jan. 31,'05	106⅜	104¼	182,000
• registered		J & J	107	Jan. 16,'03	....	....	....
• 1st & refunding 4s....1934	16,154,000	A & O	98⅛	Jan. 31,'05	99⅛	97	1,647,000
• registered....................		A & O	....	....	....	....	....
• coll. tr. ser. 4's ser. C.1905	1,494,000	M & N	101¼	Sept.29,'02	....	....	....
• D.......................1906	1,494,000	M & N	....	....	....	....	....
• E.......................1907	1,494,000	M & N	....	....	....	....	....
• F.......................1908	1,494,000	M & N	....	....	....	....	....
• G.......................1909	1,494,000	M & N	....	....	....	....	....
• H.......................1910	1,494,000	M & N	97	July14,'04	....	....	....
• I.......................1911	1,494,000	M & N	....	....	....	....	....
• J.......................1912	1,494,000	M & N	....	....	....	....	....
• K.......................1913	1,494,000	M & N	....	....	....	....	....
• L.......................1914	1,494,000	M & N	....	....	....	....	....
• M.......................1915	1,494,000	M & N	96	May 16,'04	....	....	....
• N.......................1916	1,494,000	M & N	93	May 24 '04	....	....	....
• O.......................1917	1,494,000	M & N	94	Dec. 5,'04	....	....	....
• P.......................1918	1,494,000	M & N	90	May 11,'04	....	....	....
Chic. Rock Is. & Pac. R.R. 4's..2002	69,557,000	M & N	82⅞	Jan. 31,'05	83	81⅛	4,567,000
• registered....................		M & N	76⅛	Sept.14,'04	....	....	....
• coll. trust g. 5's.......1913	17,226,000	M & S	96⅞	Jan. 31,'05	97⅜	95	2,876,000
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	101¾	Jan. 24,'05	101¾	101⅛	18,000
• con. 1st & col. tst 5's.1934	11,000,000	A & O	120⅛	Nov.29,'04	....	....	....
• registered....................		A & O	120⅛	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's. 1921	1,905,000	A & O	112½	Sept.26,'04	....	....	....
Minneap's & St. Louis 1st 7's. g, 1927	150,000	J & D	40	Aug.24,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....1919	5,500,000	J & J	109	Dec. 31,'04	....	....	....
• con. g. 5's..............1952	5,411,000	J & J	....	....	....	....	....
Keokuk & Des M. 1st mor. 5's..1923	2,750,000	A & O	106¾	July 8,'04	....	....	....
• small bond 1923	....	A & O	102½	Apr. 26,'04	....	....	....

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Name. *Principal Due.*	*Amount.*	*Int'st Paid.*	Last Sale. *Price.*	Last Sale. *Date.*	January Sales. *High.*	January Sales. *Low.*	January Sales. *Total.*
Chic., St. P., Minn. & Oma. con. 6's.1930	14,720,000	J & D	134⅛	Jan. 30,'05	134⅛	133⅞	5,000
" con. 6's reduced to 3½'s.1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's..1918	1,839,000	M & N	131	Jan. 7,'05	131	131	500
North Wisconsin 1st mort. 6's..1930	654,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's....1919	6,070,000	A & O	124¼	Dec. 21,'04	....	....	....
Chic., Term. Trans. R. R. g. 4's..1947	15,185,000	J & J	96⅛	Jan. 30,'05	99	86¼	529,000
" coupons off................			95	Jan. 31,'05	97¼	84⅝	3,833,000
Chic. & Wn. Ind. gen'l g. 6's......1932	9,386,000	Q M	113	Dec. 17,'04	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's.1905	927,000	A & O	104⅛	Dec. 5,'03	....	....	....
" 2d g. 4½'s..............1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's..1941	3,500,000	M & N	113¼	July 14,'04	....	....	....
Cin. Find. & Ft. W. 1st gtd g. 4's.1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind. & Wn. 1st & ref. gtd g. 4's.1953	4,672,000	J & J	99⅛	Jan. 21,'05	99⅛	98¾	21,000
Clev., Cin., Chic. & St. L. gen. g. 4's..1993	19,749,000	J & D	103	Jan. 24,'05	103	101	35,000
" do Cairo div. 1st g. 4's..1939	5,000,000	J & J	100	July 9,'04	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's.1991	4,000,000	J & J	98⅛	July 30,'04	....	....	....
St. Louis div. 1st col. trust g. 4's.1990	9,750,000	M & N	102⅛	Jan. 20,'05	102⅛	100⅞	25,000
" registered................			100	Oct. 3,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's...1940	1,035,000	M & S	102	Dec. 9,'02	....	....	....
White W. Val. div. 1st g. 4's....1940	650,000	J & J	94⅛	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's.1936	7,599,000	Q F	100	Nov. 11,'04	....	....	....
" registered................			95	Nov. 15,'94	....	....	....
" con. 6's................1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's 1928	2,571,000	J & J	112	Jan. 4,'05	112	112	5,000
Clev., C., C. & Ind. con. 7's......1914	8,991,000	J & D	123	Dec. 6,'04	....	....	....
" sink. fund 7's.........1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's........1934	3,205,000	J & J	130	Sept. 19,'04	....	....	....
" registered................		J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's.1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's....1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's...1940	8,103,000	A & O	99⅛	Jan. 31,'05	100	98¾	58,000
" income 4's............1990	4,000,000	A	76¼	Jan. 31,'05	76⅛	73	322,000
Clev., Lorain & Wheel'g con. 1st 5's 1933	5,000,000	A & O	112⅛	Feb. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's..1938	2,936,000	J & J	116⅛	Jan. 23,'05	116⅛	116⅛	7,000
" registered................		Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's..........1947	8,946,000	J & J	74⅛	Jan. 31,'05	75⅛	73¾	467,000
Colorado & Southern 1st g. 4's...1929	19,103,000	F & A	92¾	Jan. 31,'05	94⅛	91⅛	421,000
Conn., Passumpsic Riv's 1st g. 4's.1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's..1907	3,067,000	M & S	110	Jan. 11,'05	110	110	2,000
Morris & Essex 1st m 7's........1914	5,000,000	M & N	128⅛	Dec. 19,'04	....	....	....
" 1st c. gtd 7's..........1915	11,677,000	J & D	129⅝	Dec. 14,'04	....	....	....
" registered................		J & D	130	Jan. 17,'05	130	130	1,000
" 1st refund. gtd. g. 3½'s.2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's...1921	12,000,000	J & J	129⅛	Aug. 27,'04	....	....	....
" const. 5's..............1923	5,000,000	F & A	114⅛	July 6,'04	....	....	....
" terml. imp. 4's.........1923	5,000,000	M & N	103¼	Jan. 31,'05	103¼	103	11,000
Syracuse, Bing. & N. Y. 1st 7's..1906	1,966,000	A & O	107⅛	Jan. 31,'05	107⅛	106¾	9,000
Warren Rd. 1st rfdg. gtd g. 3½'s.2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.							
" 1st Penn. Div. c. 7's...1917	5,000,000	M & S	133¾	Mar. 30,'04	....	....	....
" reg.....................1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's.....1906	3,000,000	A & O	104¼	Dec. 1,'04	....	....	....
" 6's......................1906	7,000,000	A & O	104⅛	Jan. 18,'05	104⅛	104⅛	4,000
Rens. & Saratoga 1st 7's........1921	2,000,000	M & N	146⅝	Oct. 10,'04	....	....	....
Denver & Rio G. 1st con. g. 4's...1936	33,450,000	J & J	101¾	Jan. 31,'05	102	100	239,000
" con. g. 4½'s............1936	6,382,000	J & J	109	Dec. 20,'03	....	....	....
" impt. m. g. 5's..........1928	8,318,500	J & D	109⅛	Jan. 16,'05	109⅛	108	30,000
Rio Grande Western 1st g. 4's..1939	15,200,000	J & J	99	Jan. 28,'05	99⅝	98⅛	146,000
" mge. & col. tr. g. 4's ser. A.1949	13,150,000	A & O	95	Jan. 31,'05	95	89	103,000
Utah Central 1st gtd. g. 4's...1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Midl'd Ter. Ry. 1st g. s. f. 5's....1925	472,000	J & D	....	....	....	....	....
Des Moines Union Ry 1st g. 5's..1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s......1995	900,000	J & D	100	Sept. 13,'04	....	....	....
" g. 4s......................1995	1,250,000	J & D	95	Jan. 26,'05	95	95	5,000
Detroit Southern 1st g. 4's.......1951	3,866,000	J & D	70	Jan. 9,'05	72	70	12,000
" Ohio South. div. 1st g. 4's.1941	4,281,000	M & S	91⅛	Jan. 25,'05	92⅛	90	43,000
Duluth & Iron Range 1st 5's......1937	6,732,000	A & O	117	Nov. 29,'04	....	....	....
" registered..................		A & O	101⅛	July 23,'89	....	....	....
" 2d l m 6s................1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's..1937	3,816,000	J & J	111¾	Jan. 13,'05	111¾	111⅛	9,000
Duluth Short Line 1st gtd. 5's...1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's..1941	8,500,000	M & N	117⅛	Jan. 27,'05	117⅛	117⅛	3,000

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale Price.	Last Sale Date.	January Sales High.	January Sales Low	January Sales Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	114	June 3,'03	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	118¾	July 11,'04	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	107½	Jan. 3,'05	107⅛	107⅛	5,000
" 4th extended g. 5's	1920	2,926,000	A & O	114	Mar. 24,'04	....	....	....
" 5th extended g. 4's	1928	709,500	J & D	101⅛	Jan. 21,'05	101⅛	101½	7,000
" 1st cons gold 7's	1920	16,890,000	M & S	137	Jan. 27,'05	137	135⅝	14,000
" 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	35,000,000	J&J	101¾	Jan. 31,'05	102	100⅛	422,000
" registered			J&J	98½	Jan. 21,'04	....	....	....
" 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	92⅛	Jan. 31,'05	92¾	91	1,817,000
" registered			J&J	88	Nov. 15,'04	....	....	....
" Penn. col. trust g. 4's.	1951	33,000,000	F & A	97⅛	Jan. 31,'05	97½	95	780,000
" 50 yrs. con. g. 4's ser A.	19..3	10,000,000	A & O	103½	Jan. 31,'05	103½	95¾	2,985,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	127⅞	Nov. 18,'04	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	106	Dec. 16,'04	....	....	....
" small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	122⅛	Jan. 25,'05	122⅛	121⅛	17,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	103	Oct. 8,'02	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	135⅛	Jan. 16,'04	135⅛	134¾	3,000
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July 25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	113⅛	Nov. 25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	117	Jan. 17,'05	117	117	2,000
" small								
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	109¾	Dec. 21,'04	....	....	....
N.Y., Sus. & W. 1st refdg. g. 5's	1937	3,745,000	J & J	115⅛	Jan. 17,'05	115⅛	114¼	8,000
" 2d g. 4½'s	1937	447,000	F & A	104	Dec. 19,'04	....	....	....
" gen. g. 5's	1940	2,546,000	F & A	111	Jan. 18,'05	111	110⅛	7,000
" term. 1st g. 5's	1943	2,000,000	M & N	117⅛	Jan. 19,'05	117⅛	117⅛	20,000
" registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	109⅞	Jan. 5,'05	109⅞	109⅞	3,000
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	114	Jan. 30,'05	114	113¾	10,000
Evans. & Terre Haute 1st con. 6's.	1921	3,000,000	J & J	123	Nov. 5,'04	....	....	....
" 1st General g 5's	1942	2,672,000	A & O	106	Oct. 10,'04	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	112	June 2,'02	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	104	Oct. 31,'04	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	112	Jan. 30,'05	112¼	108⅛	234,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	86	Jan. 31,'05	86	85	82,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	105⅛	Jan. 24,'05	105⅛	105⅛	2,000
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,591,000	J & J	104⅛	Jan 30,'05	105¼	103	56,000
" registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	13,189,000	J & J	110	Jan. 31,'05	110¼	109	50,000
" registered			J & J	105⅛	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1848	1,401,000	A & O	100¼	Apr. 12,'04	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	113	Nov. 7,'04	....	....	....
" registered			J&J	113⅛	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	102	Aug. 19,'04	....	....	....
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered			A & O	....		....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
" registered			M & S	....		....	....	....
" total outstg....$13,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	105	Jan. 18,'05	105	105	5,000
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	104¾	Jan. 25,'05	106	104⅛	6,000
" registered			M & N	101	Apr. 7,'04	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106⅛	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....		....	....	....
" Louisville div. g. 3½'s.	1953	14,320,000	J & J	95	Jan. 23,'05	95	94¾	7,000
" registered			J & J	88⅛	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" Omaha div. 1st g. 3's	1951	5,000,000	F & A	86	Jan. 12,'05	86	85⅛	20,000
" St. Louis div. g. 3's	1951	4,939,000	J & J	85	Nov. 29,'04	....	....	....
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	95⅛	Jan. 26,'05	95⅛	95⅛	15,000
" registered			J & J	101⅛	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's,	1951	5,425,000	F & A	105¾	Nov. 11,'04	....	....	....
" registered			F & A	101⅛	Jan. 31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	124⅛	Apr. 5,'04	....	....	....

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Carbond'e & Shawt'n 1st g. 4's, 1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's....1951	16,555,000	J D 15	123¼	Jan. 9,'05	123¼	123¼	2,000
" gold 5's, registered........		J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s..............1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
" registered..............		J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's, 1951	3,500,000	J & D	110½	Jan. 4,'05	110½	110½	8,000
" registered..............		J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's, 1931	538,000	M & S	103	Nov.10,'04	....	....	....
Ind., Dec. & West. 1st g. 5's......1935	1,824,000	J & J	106	Mar. 28,'04	....	....	....
" 1st gtd. g. 5's............1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's..1950	4,850,000	J & J	99⅝	Dec. 10,'04	....	....	....
Internat. & Gt. N'n 1st. 6's, gold.1919	11,291,000	M & N	121½	Jan. 26,'05	121½	121	10,000
" 2d g. 5's..................1909	10,391,000	M & S	102	Jan. 31,'06	103	101½	109,000
" 3d g. 4's..................1921	2,959,500	M & S	79	Jan. 31,'05	79⅝	70⅝	172,000
Iowa Central 1st gold 5's.........1938	7,650,000	J & D	115	Jan. 31,'05	115	114¼	6,000
" refunding g. 4's...1951	2,000,000	M & S	86½	Jan. 31,'05	86½	86	43,000
Kansas City Southern 1st g. 3's..1950	30,000,000	A & O	75	Jan. 31,'05	75	72⅛	485,000
" registered..................		A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's...1937	7,250,000	J & J	119¾	Jan. 20,'05	119¾	117½	2,000
" 2d mtge. g. 5's..........1941	3,625,000	J & J	112¾	Nov. 4,'04	....	....	....
Northern Ohio 1st gtd g 5's... 1945	2,500,000	A & O	119½	Jan. 20,'05	119½	117½	30,000
Lehigh Val. (Pa.) coll. g. 5's.....1997	8,000,000	M & N	108¼	Jan. 4,'05	108¼	108¼	6,000
" registered..................		M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s.1940	15,000,000	J&J	111⅝	Dec. 16,'04	....	....	....
" registered..................	....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's.1941	10,000,000	A & O	119⅝	Jan. 31,'05	119⅝	119¼	6,000
" registered..................		A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's.1933	10,114,000	J & J	108	Dec. 15,'04	....	....	....
" registered..............1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....1945	2,000,000	M&S	99	Jan. 3,'05	99	99	2,000
" registered..................		M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's 1914	750,000	A & O	106½	Nov. 3,'04	....	....	....
" " g. gtd 5's.......1914	1,250,000	A & O	100⅝	June16,'04	....	....	....
Long Island 1st cons. 5's..........1931	3,610,000	Q J	117¼	Jan. 16,'05	117¼	117¼	1,000
" 1st con. g. 4's............1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's.........1938	3,000,000	J & D	100½	Dec. 10,'04	....	....	....
" Ferry 1st g. 4½'s......1922	1,494,000	M & S	105	Jan. 18,'05	105	105	7,000
" g. 4's..................1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
" unified g. 4's...........1949	6,860,000	M & S	102	Jan. 26,'05	103	101⅝	34,000
" deb. g. 5's.......1934	1,135,000	J & D	110	June22,'04	....	....	....
" gtd. refunding g. 4's..1949	12,200,000	M & S	103½	Jan. 31,'05	103½	102	73,000
" " registered........		M & S	....	....	....	....	....
Brooklyn & Montauk 1st 6's....1911	250,000	M & S	....	....	....	....	....
" 1st 5's..................1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's, ..1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's, 1927	883,000	M & S	107½	Sept.27,'04	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's, 1932	1,425,000	Q J A N	109	Nov.28,'04	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's.1927	2,724,000	M & S	104½	Jan. 30,'05	104½	104½	33,000
Louis. & Nash. gen. g. 6's.......1930	8,239,000	J & D	119	Jan. 5,'05	119	119	10,000
" gold 5's................1937	1,764,000	M & N	119¼	Jan. 31,'05	120	117	18,000
" Unified gold 4's........1940	31,722,000	J & J	102¾	Jan. 31,'05	103½	102½	237,000
" registered 1940		J & J	101⅞	June18,'94	....	....	....
" collateral trust g. 5's, 1931	5,129,000	M & N	114⅞	Jan. 26,'05	114⅞	114⅞	4,000
" 5-20yr. col. tr. deed g. 4's.1923	23,000,000	A A O	99¾	Jan. 31,'05	99⅝	98½	356,000
" E., Hend. & N. 1st 6's..1919	1,675,000	J & D	114½	Jan. 24,'05	114½	114½	7,000
" L. Cin. & Lex. g. 4½'s, ..1931	3,258,000	M & N	105⅝	Nov. 5,'04	....	....	....
" N. O. & Mobile 1st g. 6's..1930	5,000,000	J & J	130½	Jan. 26,'05	130½	130½	4,000
" 2d g. 6's................1930	1,000,000	J & J	124½	Nov.29,'04	....	....	....
" Pensacola div. g. 6's...1920	580,000	M & S	116⅝	Mar. 22,'02	....	....	....
" St. Louis div. 1st g. 6's.1921	3,500,000	M & S	122	Apr. 21,'04	....	...	....
" 2d g. 3's................1980	3,000,000	M & S	75	June20,'02	....	....	....
" At. Kx. & N. R. 1st g. 5's.1946	1,000,000	J & D	112½	Nov.16,'04	....	....	....
" H. B'ge 1st sk'fd. g 6's.1931	1,453,000	M & S	....	....	....	....	....
" Ken. Cent. g. 4's......1987	6,742,000	J & J	99½	Jan. 24,'05	99½	98½	4,000
" L. & N. & Mob. & Montg 1st. g. 4½s...........1945	4,000,000	M & S	108¾	Dec. 27,'04	....	....	....
" South. Mon. joint 4's.1952	11,827,000	J & J	96½	Jan. 31,'05	96½	96	235,000
" registered..................		Q Jan	....	....	....	....	....
" N. Fla. & S. 1st g. g. 5's, 1937	2,096,000	F & A	115¼	Jan. 4,'05	115¼	115¼	1,000
" Pen. & At. 1st g. g, 6's, 1921	2,394,000	F & A	115	Jan. 29,'04	....	....	....
" S. & N. A. con. gtd. g. 5's.1936	3,673,000	F & A	116½	Jan. 18,'05	116½	116½	3,000
" So. & N. Ala. si'fd. g. 6s.1910	1,942,000	A & O	110	Mar.23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's.1945	3,000,000	M & S	98⅝	Oct. 26,'04	....	....	....
Manhattan Railway Con. 4's.....1990	28,065,000	A & O	106⅝	Jan. 31,'05	106⅝	105⅝	272,000
" registered..................		A & O	105	Dec. 8,'04	....	....	....

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	JANUARY SALES. High.	JANUARY SALES. Low.	JANUARY SALES. Total.
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	107	Jan. 30,'05	107	106⅝	9,000
Manitoba Swn. Coloniza'n g. 5's,	1934	2,544,000	J & D					
Mexican Central.								
" con. mtge. 4's	1911	65,690,000	J & J	74⅛	Jan. 31,'05	77	73⅝	125,000
" 1st con. inc. 3's	1939	20,511,000	JULY	23¼	Jan. 31,'05	25¾	23¼	998,000
" 2d 3's	1939	11,724,000	JULY	16	Jan. 25,'05	17⅞	16	586,000
" equip. & collat. g. 5's	1917	600,000	A & O					
" 2d series g. 5's	1919	665,000	A & O					
" col.trust g.4½'s1st se of	1907	10,000,000	F & A	96	Jan. 31,'05	98	96	68,000
Mexican Internat'l 1st con g. 4's,	1977	3,362,000	M & S	90⅝	July 29,'01			
" stamped gtd		3,631,000						
Mexican Northern 1st g. 6's	1910	999,000	J & D					
" registered			J & D	105	May 2,'19			
Minneapolis & St. Louis 1st g. 7's.	1927	950,000	J & D	142	Dec. 7,'03			
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	111⅝	Jan. 31,'05	111⅝	111	3,000
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120⅛	Feb. 29,'04			
" Southw. ext. 1st g. 7's	1910	636,000	J & D	121	Jan. 21,'02			
" 1st con. g. 5's	1934	5,000,000	M & N	117¾	Jan. 17,'05	117¾	117¾	2,000
" 1st & refunding g. 4's	1949	8,850,000	M & S	98⅞	Jan. 19,'05	98⅞	97⅛	37,000
Minn., S. P. & S. S. M., 1st c. g. 4's.	1938	29,055,000	J & J	99	Jan. 17,'05	99	99	1,000
" stamped pay. of int. gtd.								
Minneapolis & Pacific 1st m. 5's	1936	337,000	J & J	102	Mar. 26,'87			
" stamped 4's pay. of int. gtd.								
Minn., S. S. M. & Atlan. 1st g. 4's.	1926	8,209,000	J & J	103	Nov. 11,'01			
" stamped pay. of int. gtd.				89¾	June 18,'91			
Missouri, K. & T. 1st mtge g. 4's.	1990	40,000,000	J & D	101	Jan. 31,'05	101¼	100⅝	327,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	87¼	Jan. 31,'05	87⅛	86¼	358,000
" 1st ext gold 5's	1944	3,254,000	M & N	106⅝	Jan. 31,'05	107	103¾	357,000
St. Louis div. 1st refundg 4s	2001	1,886,000	A & O	87	Jan. 17,'05	87	87	1,000
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	105¼	Dec. 22,'04			
Kan. City & Pac. 1st g. 4s	1990	2,500,000	F & A	94⅝	Jan. 6,'05	94⅝	94⅝	2,000
Mo., Kan. & East. 1st gtd. g. 5s.	1942	4,000,000	A & O	111⅛	Jan. 30,'05	111⅛	111	6,000
Mo., Kan. & Ok. 40 yr. 1st gtd. 5s.	1942	5,468,000	M & N	106⅝	Jan. 31,'05	106⅝	104⅞	96,000
Mo., K. & Tex. of Tex. 1st gtd. g. 5s	1942	4,505,000	M & S	109	Jan. 31,'05	109⅛	106¾	235,000
Sher., Shreve. & So. 1st gtd. g. 5s.	1943	1,689,000	J & D	106	Nov. 4,'04			
Tex. & Ok. 40 yr. 1st gtd. g. 5s	1943	2,347,000	M & S	104⅛	Jan. 17,'05	104⅛	104⅛	2,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	124⅛	Jan. 26,'05	125¼	123	10,000
" 3d mortgage 7's	1906	3,828,000	M & N	106¼	Jan. 31,'05	106⅛	105⅛	60,000
" trusts gold 5's stamp'd	1917	14,376,000	M & S	109⅝	Jan. 31,'05	109⅝	108	156,000
" registered			M & S					
" 1st collateral gold 5's.	1920	9,636,000	F & A	110⅛	Jan. 31,'05	110⅛	109	143,000
" registered			F & A					
Cent. Branch Ry. 1st gtg. g. 4's.	1919	3,459,000	F & A	98	Jan. 30,'05	98	97⅛	44,000
Leroy & Caney Val. A. L. 1st 5's.	1926	520,000	J & J	100	May 1,'01			
Pacific R. of Mo. 1st m. ex. 4's.	1938	7,000,000	M & S	103⅞	Dec. 2,'04			
" 2d extended g. 5's	1938	2,573,000	F & A	116⅝	Dec. 22,'04			
St. L. & I. g. con. R.R. & l. gr. 5's	1931	36,709,000	A & O	118	Jan. 26,'05	118	116¾	75,000
" stamped gtd gold 5's	1931	6,532,000	A & O	109¾	Oct. 21,'03			
" unify'g & rfd'g g. 4's.	1929	30,347,000	J & J	95½	Jan. 31,'05	95¾	94	772,000
" registered			J & J	87¼	Apr. 23,'04			
" Riv & Gulf divs 1st g 4s.	1933	18,734,000	M & N	97¾	Jan. 27,'05	98	96¾	302,000
Verdigris V'y Ind. & W. 1st 5's.	1926	750,000	M & S					
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	111½	Mar. 8,'04			
" small		226,000	J & J	90	Feb. 4,'03			
" mtg. g. 4's	1945	700,000	J & J	95	Nov. 1,'04			
" small		500,000		94	Aug. 6,'04			
Mob. Jackson & Kan. City 1st g. 5's.	1946	1,882,000	J & D	102	July 25,'02			
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	128¾	Jan. 31,'05	128¾	126⅛	26,000
" 1st extension 6's	1927	974,000	J & D	121	Apr. 23,'04			
" gen. g. 4's	1938	9,472,000	Q J	98	Jan. 30,'05	98	98	4,500
" Montg'ry div. 1st g. 5's.	1947	4,000,000	F & A	115⅝	Jan. 6,'05	115⅝	115⅝	1,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	101	Nov. 9,'04			
" collateral g. 4's	1930	2,494,000	Q F	92½	July 29,'04			
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	121⅛	Jan. 27,'05	121⅛	120⅞	7,000
" 1st cons. g. 5's	1928	7,566,000	A & O	116⅛	Jan. 31,'05	116⅛	115⅞	71,000
" 1st g. 6's Jasper Branch.	1923	371,000	J & J	119	Jan. 17,'05	119	119	5,000
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	113½	June 9,'04			
" 1st 6's T. & Pb	1917	300,000	J & J	113	July 6,'99			
Nat'R.R. of Mex. prior lien g. 4½'s.	1926	20,000,000	J & J	101	Jan. 30,'05	101	101	500
" 1st con. g. 4's	1951	22,000,000	A & O	82¼	Jan. 23,'05	82⅛	81⅛	131,500
NO. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108¼	Aug. 13,'94			
N.Y. Cent. & Hud. R. g. mtg. 3½s.	1997	75,782,000	J & J	100⅛	Jan. 31,'05	100¾	99⅝	301,000
" " registered			J & J	100	Jan. 18,'05	100	99⅛	6,000
" debenture g. 4's	1890-1905	5,094,000	J & D	100⅛	Dec. 29,'04			
" registered			J & D	99	Dec. 12,'02			

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" deb. cert. ext. g. 4's	1905	3,581,000	M & N	100⅛	Oct. 10,'04	....	....	....
" registered			M & N	99½	Nov. 8,'02	....	....	....
Lake Shore col. g. 3½s	1998	90,578,000	F & A	92⅛	Jan. 31,'05	93	91¼	398,000
" registered			F & A	90¾	Jan. 21,'05	90¾	90¾	10,000
Michigan Central col. g. 3½s	1998	19,336,000	F & A	91⅜	Jan. 31,'05	91½	90	92,000
" registered			F & A	91	Jan. 17,'03	....	....	....
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	108	Dec. 16,'04	....	....	....
" registered			J & J	102	Mar. 31,'03	....	....	....
" 2d gtd. g. 5's	1936	500,000	J & J	....		....	....	....
" registered		....	J & J	....		....	....	....
" ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O	....		....	....	....
" registered			A & O	....		....	....	....
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	87½	June 23,'04	....	....	....
" small bonds series B		33,000	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....		....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	107½	July 6,19'	....	....	....
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
" reg. certificates			F & A	....		....	....	....
N. Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	103	Jan. 24,'05	103	103	3,000
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O	....		....	....	....
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	108⅛	Jan. 24,'05	108⅞	108¼	89,000
" registered			J & J	108½	Jan. 31,'05	108½	107⅞	98,000
Lake Shore g 3½s	1997	50,000,000		100⅞	Jan. 25,'05	101¼	100¼	28,000
" registered			J & D	99½	Dec. 30,'04	....	....	....
" deb. g. 4's	1928	40,000,000	M & S	102⅞	Jan. 31,'05	102⅞	101⅝	725,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	114	Feb. 6,'02	....	....	....
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	121	Nov. 21,'03	....	....	....
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
" 2d gtd 6's	1934	900,000	J & J	....		....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....		....	....	....
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04	....	....	....
" 5's	1931	3,576,000	M & S	122½	Dec. 5,'04	....	....	....
" 5's reg	1931		Q M	121	July 20,'04	....	....	....
" 4's	1940	2,600,000	J & J	106¼	June 9,'04	....	....	....
" 4's reg			J & J	106½	Nov. 26,19'	....	....	....
" g. 3½'s sec. by 1st mge. on J. L. & S		1,900,000	M & S	....		....	....	....
" 1st g. 3½'s	1952	13,000,000	M & N	96¼	May 26,'04	....	....	....
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D	....		....	....	....
N. Y. & Harlem 1st mort. 7's c.	1900	12,000,000	M & N	100	Sept. 24,19'	....	....	....
" 7's registered	1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	115½	Sept. 1,'04	....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	119	Jan. 20,'05	119	119	1,000
coup. g. bond currency			A & O	....		....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....		....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	104¼	Apr. 5,'04	....	....	....
N. Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	105	Jan. 30,'05	105	104⅛	80,000
" registered			A & O	101	Mar. 28,'03	....	....	....
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	2,838,000	M & N	131¾	Apr. 29,'03	....	....	....
New Haven and Derby con. 5's	1918	575 000	M & N	115½	Oct. 15,'94	....	....	....
N. Y., Ont. & W'n. ref'ding 1st g. 4's	1992	17,937,000	M & S	105⅞	Jan. 30,'05	105⅞	105	233,000
" registered ......$5,000 only.		....	M & S	103½	Jan. 17,'05	103½	103½	15,000
Norfolk & Southern 1st g. 5's	1941	1,590,000	M & N	110	Dec. 8,'04	....	....	....
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	133½	Jan. 23,'05	133½	133½	3,000
" imp'ment and ext. 6's	1934	5,000,000	F & A	132	Dec. 1,'04	....	....	....
" New River 1st 6's	1932	2,000,000	A & O	132½	Dec. 28,'04	....	....	....
Norfolk & West. Ry. 1st con. g. 4s	1996	39,710,500	A & O	103½	Jan. 31,'05	103½	100	302,000
" registered			A & O	99¾	June 18,'03	....	....	....
" small bonds			A & O	....		....	....	....
" div. 1st lien & gen g. 4s	1944	5,000,000	J & J	98	Jan. 26,'06	98	97	49,000
" " registered			J & J	....		....	....	....
" Pocahon C. & C. Co. jt. 4's	1941	20,000,000	J & D	96½	Jan. 31,'05	96¾	95	661,000
" C. C. & T. 1st g. t. g. g 5's	1922	600,000	J & J	112	Aug. 25,'04	....	....	....
" Sci'o Val & N. E. 1st g. 4's	1989	5,000,000	J & N	102¼	Jan. 26,'05	102¾	102	61,000
N. P. Ry prior ln ry. & ld. gt. g. 4's	1997	101,392,500	Q J	105¾	Jan. 31,'05	105⅞	104¾	466,000
" registered			Q J	104¼	Jan. 9,'05	105¼	104¼	7,000
" gen. lien g. 3's	2047	56,000,000	Q F	78	Jan. 30,'05	78	76¼	499,000
" registered			Q F	76¾	Jan. 17,'05	76¾	76	22,000
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	98¾	Dec. 8,'04	....	....	....

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" registered		7,897,000	J & D					
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	126⅝	Jan. 5,'05	126⅝	126⅝	1,000
" registered certificates			Q F	132	July 28,'98			
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	112¼	July 21,'03			
" 2d 5's	1917	2,000,000	A & O	107	Nov. ,'04			
" 1st con. g. 4's	1968	1,000,000	J & D	96⅛	Aug.22,'04			
Washington Cen. Ry 1st g. 4's	1948	1,538,000	QMCH	94	Aug.16,'04			
Nor. Pacific Term. Co. 1st g. 6's	1933	3,614,000	J & J	116	Jan. 30,'05	116⅛	115	16,000
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	115¼	Nov. 7,'04			
" gen. mortg. g 6's	1937	2,428,000	A & O	112	Dec. 6,'04			
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	113¾	Jan. 18,'05	113¾	113¾	1,000
Panama 1st sink fund g. 4½'s	1917	2,371,000	A & O	104	Jan. 7,'05	104	104	2,000
" s. f. subsidy g 6's	1910	715,000	M & N	102	Apr. 14,'02			
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	111	Jan. 25,'05	111	111	10,000
" reg	1921		J & J	106	Jan. 13,'05	106	106	2,000
" gtd.3½ col.tr.reg. cts.	1937	4,895,000	M & S	98	July 16,'04			
" gtd.3½ col.tr.cts.serB	1941	9,687,000	F & A	92¼	Dec. 28,'03			
" Trust Co. ctfs. g. 3½'s	1916	15,998,000	M & N	97⅛	Dec. 28,'04			
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	118	Oct. 27,'04			
" registered			A & O	110	May 3,'92			
Cin., Leb. & N. 1st con.gtd.g.4's	1942	900,000	J & J					
Clev.&P.gen.gtd.g.4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug.21,'03			
" Series B	1942	1,561,000	A & O					
" " int. reduc. 3½ p.c.		439,000						
" Series C 3½s	1948	3,000,000	M & N					
" Series D 3½s	1950	1,990,000	F & A	96	Jan. 8,'04			
E.&Pitts. gen.gtd.g.3½s Ser.B.	1940	2,240,000	J & J	102	Nov. 7,19'			
" " " C.	1940	2,218,000	J & J	98¾	Apr. 4,'04			
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J					
Pitts., C. C. & St. L. con. g 4½'s..								
" Series A	1940	10,000,000	A & O	114⅛	Jan. 24,'05	114⅛	114⅛	20,000
" Series B gtd	1942	8,786,000	A & O	113¾	Jan. 10,'05	113¾	113¾	1,000
" Series C gtd	1942	1,379,000	M & N	110	Aug.17,'01			
" Series D gtd. 4's	1945	4,983,000	M & N	104⅛	Oct. 6,'04			
" Series E gtd. g. 3½s	1949	10,260,000	F & A	93½	Sept.28,'04			
Pitts., Ft. Wayne & C. 1st 7's	1912	2,219,000	J & J	127⅝	Oct. 21,'02			
" 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03			
" 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04			
Tol Walhonding Vy.&O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J					
" 4½'s series B	1933	978,000	J & J					
" 4's series C	1942	1,453,000	M & S					
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	105	Mar. 26,'04			
con. sterling gold 6 per cent	1905	22,762,000	J & J					
con. currency, 6's registered	1905	4,718,000	Q M 15					
con. gold 5 per cent	1919	4,998,000	M & S	111⅛	Sept.21,'04			
" registered			Q M					
con. gold 4 per cent	1943	2,797,000	M & N	106	Aug.28,'03			
" ten year conv. 3½'s	1912	20,692,500	M & N	103¾	Jan. 31,'04	104	103	605,000
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	110	Aug.28,19'			
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J					
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05	110	110	6,000
Del.R. RR.& BgeCo 1stgtdg.4's	1936	1,300,000	F & A					
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	110	Oct. 6,'04			
Phila. Balto. & Wash. 1st g. 4's	1943	10,570,000	M & N	107⅝	Dec. 30,'04			
" registered			M & N					
Pitts. Va.&Charl.Ry1stgtdg.4's	1943	6,000,000	M & N					
Sunbury & Lewistown 1stg.4's	1936	500,000	J & J					
U'd N.J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept.28,04'			
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123⅛	Jan. 18,'05	123⅛	123⅛	1,000
" 2d m 4½'s	1921	1,499,000	M & N	101	July 8,'04			
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02			
Flint & Pere Marquette g. 6's	1920	3,999,000	A & O	122	Jan. 10,'05	123	122	2,000
" 1st con. gold 5's	1939	2,850,000	M & N	112	Jan. 16,'05	112	112	1,000
" Port Huron d 1st g 5's	1939	3,325,000	A & O	112¼	Oct. 21,'04			
Sag'w Tusc. & Hur. 1st gtd.g.4's	1931	1,000,000	F & A					
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'98			
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01			
Pittsburg & L. E. 2d g. 5's ser. A.	1928	2,000,000	A & O	112½	Dec. 13,'98			
Pitts., Shena'go & L. E. 1st g. 5's,	1940	3,000,000	A & O	117½	Jan. 10,'05	117½	117½	5,000
" 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'			
Pittsburg. Y & Ash. 1st cons. 5's,	1927	1,562,000	M & N	117½	Oct. 24,'04			
Reading Co. gen. g. 4's	1997	66,232,000	J & J	102⅝	Jan. 31,'04	102⅝	100⅞	811,000
" registered			J & J	100	Jan. 27,'05	100	100	1,000
" Jersey Cent. col. g. 4's	1957	23,000,000		99¾	Jan. 31,'05	100	99⅛	139,000
" " registered								

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Atlantic City 1st con. gtd. g. 4's. 1951	1,063,000	M & N					
Philadelphia & Reading con. 6's. 1911	7,394,000	J & D					
" registered	663,000	J & D					
" 7's. 1911	7,310,000	J & D	119¼	Apr. 2,'04			
" " registered	3,339,000	J & D	118	Jan. 7,'05	118	118	2,000
Rio Grande Junc'n 1st gtd. g. 5's. 1939	2,000,000	J & D	111½	July 28,'04			
Rio Grande Southern 1st g. 4's. 1940	2,233,000	J & J	75	Jan. 18,'05	75	75	5,000
" guaranteed	2,277,000		89	Jan. 4,'05	89	89	2,000
Rutland RR 1st con. g. 4½ s. 1941	2,440,000	J & J	103¾	May 10,'04			
Ogdnsb. & L. Ch'n. Ry. 1st gtd g 4s 1948	4,400,000	J & J					
Rutland Canadian 1st gtd. g. 4's. 1949	1,350,000	J & J	101¼	Nov. 18,'01			
St. Jo. & Gr. Isl. 1st g. 2.342. 1947	3,500,000	J & J	94	Jan. 31,'05	94	93	27,000
St. L. & Adirondack Ry. 1st g. 5's. 1996	800,000	J & J					
" 2d g. 6's. 1996	400,000	A & O					
St. Louis & San F. 2d 6's, Class B, 1906	998,000	M & N	104	Jan. 3,'05	104	104	500
" 2d g. 6's, Class C. 1906	829,000	M & N	104⅛	Jan. 16,'05	104⅛	104	3,000
" gen. g. 6's. 1931	3,681,000	J & J	130¼	Dec. 20,'04			
" gen. g. 5's. 1931	5,803,000	J & J	113½	Jan. 20,'05	113½	112½	17,000
St. L & San F. R. R. con. g. 4's. 1996	1,558,000	J & D	99¼	Nov. 15,'04			
" S. W. div. g. 5's. 1947	829,000	A & O	98⅝	Nov. 23,'04			
" refunding g. 4's. 1951	58,997,000	J & J	91⅛	Jan. 31,'05	91⅜	88¼	2,857,000
" " registered		J & J					
" 5 year 4½'s gold notes. 1908	5,728,000	J & D	96	Dec. 8,'04			
Kan. Cy Ft. S. & Mem RR con g 6's 1928	13,736,000	M & N	126¼	Jan. 23,'05	126¼	126¼	1,000
Kan. Cy Ft. S & M Ry ref g gtd g 4s. 1936	16,853,000	A & O	90	Jan. 31,'05	90⅛	88¾	435,000
" registered		A & O	78½	Jan. 14,'04			
Kan. Cy & M. R. & B. Co. 1st gtd g 5s. 1929	3,000,000	A & O					
St. Louis S. W. 1st g. 4's Bd. ctfs., 1989	20,000,000	M & N	99¼	Jan. 31,'05	99¼	98¼	418,000
" 2d g. 4's inc. Bd. ctfs. 1989	3,272,500	J & J	85	Jan. 31,'05	85	84½	77,000
" con. g. 4's. 1932	13,185,000	J & D	82¾	Jan. 31,'05	83	80½	1,920,000
Gray's Point, Term. 1st gtd. g. 5's. 1947	339,000	J & D					
St. Paul, Minn. & Manito'a 2d 6's. 1909	6,932,000	A & O	110½	Jan. 20,'05	111	110½	3,000
" 1st con. 6's. 1933	13,344,000	J & J	134⅝	Oct. 31,'04			
" 1st con. 6's, registered		J & J	140	May 14,'02			
" 1st c. 6's, red'd to g. 4½'s	19,322,000	J & J	112	Jan. 31,'05	112¼	112	52,000
" 1st cons. 6's register'd		J & J	115¼	Apr. 15,'01			
" Dakota ext'n g. 6's. 1910	5,284,000	M & N	112⅜	Jan. 24,'05	112⅜	112⅜	35,000
" Mont. ext'n 1st g. 4's. 1937	10,185,000	J & D	103½	Jan. 31,'05	104	103½	5,000
" registered		J & D	106	May 6,'01			
Eastern R'y Minn, 1std. 1st g. 5's. 1908	4,700,000	A & O	102⅝	Oct. 25,'04			
" registered		A & O					
" Minn. N. div. 1st g. 4's. 1940	5,000,000	A & O					
" registered		A & O					
Minneapolis Union 1st g. 6's. 1922	2,150,000	J & J	128	Apr. 4,19'			
Montana Cent. 1st 6's int. gtd. 1937	6,000,000	J & J	135	Jan. 25,'05	135	135	2,000
" 1st 6's, registered		J & J	134¾	Dec. 20,'04			
" 1st g. g. 5's. 1937	4,000,000	J & J	116¾	Sept. 1,'04			
" registered		J & J					
Willmar & Sioux Falls 1st g. 5's, 1938	3,625,000	J & D	117	Jan. 11,'04			
" registered		J & D					
Salt Lake City 1st g. s. f. 6's. 1913	297,000	J & J					
San Fe Pres. & Phoe. Ry. 1st g. 5's. 1942	4,940,000	M & S	110	Jan. 7,'04			
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	11[illegible]¾	Dec. 11,'01			
Seaboard Air Line Ry g. 4's. 1950							
" registered	12,775,000	A & O	88¾	Jan. 31,'05	89½	84¾	860,000
" col. trust refdg g. 5's. 1911		A & O					
Carolina Central 1st con. g. 4's. 1949	10,000,000	M & N	104⅛	Jan. 19,'05	104⅛	103¼	33,000
Fla Cent & Peninsular 1st g. 5's. 1918	2,847,000	J & J	98	Nov. 25,'04			
" 1st land grant ext g. 5's. 1930	3,000,000	J & J	100	Sept. 6,'99			
" cons. g. 5's. 1943	410,000	J & J					
Georgia & Alabama 1st con. 5's. 1945	4,370,000	J & J	104¾	July 18,'04			
Ga. Car. & Nthern 1st gtd g. 5's. 1929	2,922,000	J & J	113¼	Jan. 19,'05	113¼	109½	40,000
Seaboard & Roanoke 1st 5's. 1926	5,360,000	J & J	110	Jan. 16,'05	110	110	4,000
Sodus Bay & Sout'n 1st 5's, gold, 1924	2,500,000	J & J					
Southern Pacific Co.	500,000	J & J	102	Jan. 20,'03			
" 2-5 year col. trust g. 4½'s. 1905	30,000,000	J & D	101⅜	Jan. 31,'05	101⅜	101	136,000
" g. 4's Central Pac. coll. 1949	28,818,500	J & D	96⅞	Jan. 30,'05	97¼	95	520,000
" " registered		J & D	94½	Aug. 17,'04			
Austin & Northw'n 1st g. 5's. 1941	1,920,000	J & J	108⅞	Jan. 14,'05	111⅝	108⅞	16,000
Cent. Pac. 1st refud. gtd. g. 4's. 1949	73,437,000	F & A	103⅝	Jan. 31,'05	104	102¼	584,000
" registered		F & A	99¼	Mar. 5,'93			
" mtge. gtd. g. 3½'s. 1929	17,685,500	J & D	88⅞	Jan. 30,'05	88⅞	88⅜	52,500
" " registered		J & D					
Gal. Harrisb'gh & S. A. 1st g 6's. 1910	4,756,000	F & A	110⅞	Jan. 25,'05	110⅞	110½	17,000
" 2d g 7's. 1905	1,000,000	J & D	103	Sept. 20,'04			
" Mex. & P. div 1st g 5's. 1931	13,418,000	M & N	113	Nov. 26,'04			
Gila Val. G. & N'n 1st gtd g 5's. 1924	1,514,000	M & N	110	Dec. 31,'04			
Houst. E. & W. Tex. 1st g. 5's. 1933	501,000	M & N	105½	Jan. 27,'05	105½	105½	5,000

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" 1st gtd. g. 5's.........1933	2,199,000	M & N	108¼	July 7,'04			
Houst. & T.C. 1st g 5's int. gtd..1937	5,092,000	J & J	111½	Jan. 28,'05	111½	110⅝	28,000
" con. g 6's int. gtd......1912	2,430,000	A & O	113	Dec. 15,'04			
" gen. g 4's int. gtd......1921	4,275,000	A & O	95½	Jan. 18,'05	95½	95½	6,000
" W&Nwn.div.1st.g.6's.1930	1,105,000	M & N	127½	Feb. 27,'02			
Louisiana Western 1st 6's 1921	2,240,000	J & J					
Morgan's La & Tex. 1st g 6's....1920	1,494,000	J & J	122	Dec. 6,'04			
" 1st 7's.................1918	5,000,000	A & O	129½	Nov. 5,'04			
N. Y. Tex. & Mex. gtd. 1st g 4's..1912	1,465,000	A & O					
Nth'n Ry of Cal. 1st gtd. g. 6's.1907	3,964,000	J & J	106	Sept.14,'04			
" gtd. g. 5's..................	4,751,000	A & O	113	Jan. 4,'01			
Oreg. & Cal. 1st gtd. g 5's.......1927	18,631,000	J & J	102	Nov.25,'04			
San Ant.&Aran Pass 1st gtd g 4's.1943	17,544,000	J & J	91	Jan. 31,'05	91½	88	723,000
South'n Pac. of Ariz. 1st 6's.....1909	6,000,000	J & J	106½	Jan. 19,'05	106½	106	8,000
" " " 1910	4,000,000	J & J	109⅝	Jan. 6,'05	109⅝	109⅛	10,000
" of Cal. 1st g 6's ser. A.1905	29,187,500	A & O	100⅝	Oct. 8,'04			
" " ser. B.1905		A & O	102	Oct. 22,'03			
" " " C. & D.1906		A & O	104½	Dec. 22,'04			
" " " E. & F.1912		A & O	114½	Dec. 20,'04			
" " " 1912	....	A & O	116	June29,'04			
" 1st con. gtd. g 5's...1937	6,809,000	M & N	119	Feb. 2,'04			
" stamped........1905-1937	21,470,000	......	108½	Jan. 26,'05	108½	108½	25,000
So. Pacific Coast 1st gtd. g. 4's.1937	5,500,000	J & J					
" of N. Mex. c. 1st 6's.1911	4,180,000	J & J	108	Jan. 19,'05	108	108	10,000
Tex. & New Orleans 1st 7's......1905	882,000	F & A	103	Oct. 3,'04			
" Sabine div. 1st g 6's...1912	2,575,000	M & S	109	Sept.13,'04			
" con. g 5's.............1943	1,620,000	J & J	103	Jan. 29,'04			
Southern Railway 1st con. g 5's.1994	41,177,000	J & J	120	Jan. 31,'05	120	117½	459,000
" registered....................		J & J	110	Feb. 29,'04			
Mob. & Ohio collat. trust g. 4's.1938	7,999,000	M & S	98½	Jan. 31,'05	98½	96⅞	60,000
" registered		M & S					
" Memph.div.1st g.4-4½-5's.1996	5,183,000	J & J	117½	Dec. 2,'04			
" registered....................		J & J					
" St. Louis div. 1st g. 4's...1951	11,750,000	J & J	98½	Jan. 25,'05	98½	98	12,000
" " registered........		J & J					
Alabama Central, 1st 6's.......1918	1,000,000	J & J	118½	Nov.29,'04			
Atlantic & Danville 1st g. 4's..1948	3,925,000	J & J	96½	Jan. 19,'05	96½	95⅛	52,000
" 2d mtg..................1948	775,000	J & J	90½	Dec. 6,'04			
Atlantic & Yadkin, 1st gtd g 4s.1949	1,500,000	A & O					
Col. & Greenville, 1st 5-6's.....1916	2,000,000	J & J	118	May 12,'04			
East Tenn., Va. & Ga. div.g.5's.1930	3,106,000	J & J	114¼	Jan. 6,'05	114¼	114¼	2,000
" con. 1st g 5's..........1956	12,770,000	M & N	122	Jan. 27,'05	122	121⅛	27,000
" reorg. lien g 4's.......1938	4,500,000	M & S	114⅝	Jan. 5,'05	114⅝	114⅝	5,000
" registered................		M & S					
Ga. Pacific Ry. 1st g 5-6's.....1922	5,660,000	J & J	123¼	Jan. 21,'05	123½	123¼	6,000
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	123¾	Jan. 5,'05	123¾	123¼	3,000
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	115¾	Jan. 23,'05	115¾	115¾	2,000
" deb. 5's stamped......1927	3,368,000	A & O	112⅝	Jan. 24,'05	112⅝	112	7,000
Rich. & Mecklenburg 1st g. 4's.1948	315,000	M & N	87½	July 26,'04			
South Caro'a & Ga. 1st g. 5's....1919	5,250,000	M & S	109¼	Jan. 25,'05	109¼	108	18,000
Vir. Midland serial ser. A 6's..1906	600,000	M & S	108	Mar. 29,'04			
" small......................		M & S					
" ser. B 6's..............1911	1,900,000	M & S	113½	Jan. 6,'03			
" small......................		M & S					
" ser. C 6's..............1916	1,100,000	M & S	123	Feb. 8,'02			
" small......................		M & S					
" ser. D 4-5's............1921	950,000	M & S	110	Dec. 22,'04			
" small......................		M & S					
" ser. E 5's...............1926	1,775,000	M & S	114	Jan. 11,'05	114	114	1,000
" small......................		M & S					
" ser. F 5's..............1931	1,310,000	M & S	108	Nov. 9,'03			
Virginia Midland gen. 5's......1936	2,392,000	M & N	115⅞	Jan. 23,'05	115⅞	115⅞	4,000
" gen.5's. gtd. stamped.1926	2,466,000	M & N	110½	May 10,'04			
W. O. & W. 1st cy. gtd. 4's.....1924	1,025,000	F & A	93	Dec. 31,'03			
W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	115¼	Jan. 25,'05	115¼	115¼	7,000
Spokane Falls & North.1st g.6's..1939	2,812,000	J & J	117	July 25,19'			
Staten Isl.Ry.N.Y.1st gtd.g.4½'s.1943	500,000	J & D	100	Nov.22,'04			
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	114½	Dec. 1,'03			
" 1st con. g. 5's.....1894-1944	5,000,000	F & A	122	Jan. 27,'05	122	122	3,000
" gn. refdg. sg. fd. g.4's. 1953	18,000,000	J & J	100	Jan. 27,'05	100	98¾	17,000
" " " registered.		J & J					
St. L. Mers. bdg. Ter. gtd g.5's...1930	3,500,000	A & O	112½	July 29,'04			
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th 1905	2,741,000	M & S	101½	Dec. 15,'04			
" 1st gold 5's..............2000	22,234,000	J & D	121¼	Jan. 31,'05	121¼	120¼	73,000
" 2d gold income, 5's......2000	963,000	MAR.	96½	Jan. 31,'05	97	95	32,000
" La. Div.B.L. 1st g.5's...1931	4,241,000	J & J	109½	Aug. 5,'04			

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Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106⅛	Nov. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	114⅛	Jan. 10,'05	114⅛	114⅛	5,000
• 1st M. g 5's West. div.	1935	2,500,000	A & O	111	May 31,'04	....	....	....
• gen. g. 5's	1935	2,000,000	J & D	107	Sept. 8,'04	....	....	....
• Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	96¾	Jan. 20,'05	96¾	96¾	1,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	92¾	Jan. 24,'05	94	91	49,000
Tol., St.L.&Wn. prior lien g 3½'s	1925	9,000,000	J & J	90¾	Jan. 21,'05	90⅝	89⅛	60,000
• registered			J & J	....		....	....	....
• fifty years g. 4's	1925	6,500,000	A & O	84	Jan. 31,'05	84⅛	83⅝	282,000
• registered			A & O	....		...	....	....
Toronto, Hamilton&Buff 1st g 4s	1946	3,280,000	J & D	95¼	Sept.16,'03	....	....	....
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	111	Dec. 14,'04	....	....	....
• 1st ref. g. 4's	1952	700,000	A & O	95¼	Jan. 13,'05	95¼	95¼	1,000
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	105¾	Jan. 31,'05	105¾	104¾	891,000
• registered			J & J	103¾	Jan. 31,'05	103¾	103⅛	12,000
• 1st lien con. g. 4's	1911	71,234,000	M & N	121⅞	Jan. 31,'05	123⅛	112⅞	22,256,000
• registered			M & N	120	Jan. 31,'05	121¼	116⅝	54,000
Oreg. R. R. & Nav.Co.con. g 4's	1946	21,482,000	J & D	103	Jan. 27,'05	103⅛	102¾	104,000
Oreg. Short Line Ry. 1st g. 6's	1922	14,931,000	F & A	127½	Jan. 31,'05	127½	126¼	17,000
• 1st con. g. 5's	1946	12,328,000	J & J	118⅛	Jan. 31,'05	118⅛	117½	120,500
• 4's&participat'g g.bds.	1927	41,000,000	F & A	104¼	Jan. 30,'05	104¼	104⅛	158,000
• registered			F & A	103¾	Dec. 31,'04	....	....	....
• Guar. refunding 4's	1929		J & D	97⅞	Jan. 31,'05	98	97⅛	2,082,000
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
• g. 5's	1926	1,802,000	J & J	114½	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	108	Jan. 12,'05	108	107½	7,000
Wabash R.R. Co., 1st gold 5's	1939	33,011,000	M & N	119	Jan. 31,'05	119	118¼	441,000
• 2d mortgage gold 5's	1939	14,000,000	F & A	112½	Jan. 31,'05	112½	111	203,000
• deben. mtg series A	1939	3,500,000	J & J	95	July 21,'04	....	....	....
• series B	1939	26,500,000	J & J	68⅝	Jan. 31,'05	69⅛	66⅛	2,297,000
• first lien eqpt. fd.g. 5's	1921	2,755,000	M & S	102	Jan. 13,'04	....	....	....
• 1st lien 50 yr.g.term 4's	1954	1,715,000	J & J	....		....	....	....
• 1st g.5's Det.& Chi.ex.	1940	3,349,000	J & J	110	Jan. 11,'05	110	109¾	3,000
• Des Moines div.1st g.4s.	1939	1,600,000	J & J	97	Nov.16,'04	....	....	....
• Omaha div. 1st g. 3½s.	1941	3,173,000	A & O	88	Jan. 31,'03	88⅞	86	137,500
• Tol. &Chic.div.1st g.4's	1941	3,000,000	M & S	97½	Jan. 23,'05	98⅛	97½	42,000
St.L., K.C.& N.St.Chas. B.1st 6's	1908	463,000	A & O	109½	Mar. 13,'03	....	....	....
Western Maryland 1st 4's	1952	29,367,000	A & O	93	Jan. 31,'05	93½	90¼	1,328,000
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	119¾	Dec. 19,'04	....	....	....
• gen g. 3-4's	1943	9,789,000	A & O	98¼	Jan. 24,'05	98¼	98¼	10,000
• inc. 5's	1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va.Cent'l & Pitts.1st g. 6's	1911	3,250,000	J & J	112	Sept.20,'04	....	....	....
Wheeling & Lake Erie 1st g, 5's	1926	2,000,000	A & O	114¼	Jan. 28,'05	114¼	114¼	2,000
• Wheeling div. 1st g. 5's	1928	894,000	J & J	110¼	May 17,'04	....	....	....
• exten. and imp. g. 5's	1930	343,000	F & A	114⅝	Jan. 31,'05	114⅝	114⅝	15,000
• 20 year eqptmt s.f.g.5's	1922	2,152,000	J & J	102	Jan. 3,'05	102	102	5,000
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,618,000	M & S	95	Jan. 31,'05	95½	93	617,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	94	Jan. 31,'05	94	90½	212,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	....		....	....	....
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	110¼	Jan. 27,'05	111½	108½	41,000
• 1st ref. conv. g. 4's	2002	10,000,000	J & J	84¼	Jan. 31,'05	85	83¼	687,000
• • registered			J & J	....		....	....	....
• City R. R. 1st c. 5's 1916.	1941	4,373,000	J & J	109½	Nov. 18,'04	....	....	....
• Qu. Co. & S. c. gd. g. 5's	1941	2,255,000	M & N	106	Jan. 13,'05	106	106	5,000
• Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	112½	Jan. 25,'05	113¼	110¾	59,000
• stamped guaranteed			......	100¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	93½	Jan. 20,'05	93½	92⅝	9,000
• stamped guaranteed			......	96¼	Jan. 31,'05	96¼	92⅝	678,000
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	90	Jan. 31,'05	91	87	157,000
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn.Ry.& Lightg 1st&rfg.g4½'s	1951	10,913,000	J & J	98	Jan. 5,'05	98	98	1,000
• stamped guaranteed			......	....		....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97½	June13.19'	.	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....		....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....		....	....	....
DetroitCit'ensSt.Ry.1stcon.g.5's	1905	5,485,000	J & J	103	Nov.23.'01	....	....	....
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....		....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....		....	....	....
Metro. St. Ry N.Y.g. col. tr.g. 5's	1997	12,500,000	F & A	118½	Jan. 30,'05	120¾	117½	116,000
• refunding 4's	2002	15,134,000	A & O	94	Jan. 26,'05	94	93	42,000
B'way & 7th ave. 1st con. g. 5's	1943	7,650,000	J & D	117½	Jan. 7,'05	117½	117½	6,000
• registered			J & D	119½	Dec. 3,19'	....	....	....

BOND QUOTATIONS.—Last sale, price and date: highest and lowest prices and total sales for the month.

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NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	JANUARY SALES. High.	JANUARY SALES. Low.	JANUARY SALES. Total.
Columb.& 9th ave.1st gtd g 5's, 1993	3,000,000	M & S	121	Jan. 18,'05	121	121	10,000
" registered..................	3,000,000	M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	120¼	Jan. 17,'05	120¼	119	13,000
" registered..................		M & S	....	....	....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	36,943,000	J & J	95¼	Jan. 31,'05	95¾	94⅞	238,000
" registered..................		J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	118	Jan. 26,'05	118	116¼	27,000
Met. West Side Elev.Chic.1st g.4's.1938	9,808,000	F & A	96	Jan. 25,'05	96	96	34,000
" registered..................		F & A	....	....	....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's.....................1919	4,050,000	J & J	106	Nov. 22,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1st g.5's.1937	3,763,000	M & N	....	....	....	....	....
St. Paul City Ry. Cable con.g.5's.1937	2,480,000	J&J15	110	July, 8'04	....	....	....
" gtd. gold 5's 1937	1,138,000	J & J	112	Nov.28,'99	....	....	....
Undergr'd Elec.Rys.of London Ltd.	16,550,000	J & D	99	Jan. 31,'05	99¼	97	2,849,000
5% profit sharing notes 1908 series A		J & D	....	....	....	....	....
" series B		J & D	....	....	....	....	....
" series C		J & D	....	....	....	....	....
" series D		J & D	....	....	....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	109⅛	Dec. 14,'99	....	....	....
United Railways of St.L.1st g.4's.1934	28,292,000	J & J	85¾	Jan. 26,'05	86⅞	85⅛	136,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	88⅛	Jan. 31,'05	89	87¼	144,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....
MISCELLANEOUS BONDS.							
Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	104	Jan. 31,'05	104	103½	98,500
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.Ferry Co.of N.Y.1st c.g.5's.1948	6,500,000	F & A	63	Dec. 10,'04	....	....	....
Chic.Junc.& St'k Y'ds col. g. 5's.1915	10,000,000	J & J	107¾	Nov. 4,'03	....	...	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,655,000	A & O	78	Nov.25,'04	....	....	....
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....1916	1,250,000	M & N	103	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	96	Jan. 25,'05	96⅛	95	35,000
" registered..................		F & A	....	....	....	....	....
Provident L. Soc. of N.Y. g. 4's..1921	1,000,000	M & S	98½	Dec. 16,'04	....	....	....
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....	....	....	....	....
St. Louis Terml. Cupples Station & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113½	Dec. 18,19'	....	. ..	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series E 4's................1907-1917	1,000,000	J & D	....	....	....	....	....
" F 4's................1908-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's................1903-1918	1,000,000	F & A	....	....	....	....	....
" H 4's................1903-1918	1,000,000	M & N	....	....	....	....	....
" I 4's................1904-1919	1,000,000	F & A	....	....	....	....	....
" J 4's................1904-1919	1,000,000	M & N	....	....	....	....	....
" K 4's................1905-1920	1,000,000	J & J	....	....	....	....	....
Small bonds..........	....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	100¼	Jan. 17,'05	100¼	100	40,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	99	Jan. 30,'05	100¼	97	280,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	96	Jan. 30,'05	97	95	23,000
Am.Thread Co..1st coll.trust 4's.1919	6,000,000	J & J	89	Jan. 16,'05	89¼	88¼	10,500
Am. Tobacco Co. 40 yrs g, 6's....1944	51,210,000	A & O	113¾	Jan. 31,'05	114	110⅝	2,962,000
" registered................		A & O	111	Jan. 24,'05	111	111	1,000
" g. 4's.................1951	72,757,000	F & A	75½	Jan. 31,'05	76	71⅝	8,820,000
" " registered..........		F & A	73¼	Jan. 24,'05	73¼	73¼	500
Barney & Smith Car Co. 1st g. 6's.1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Consol. Tobacco Co. 50 year g. 4's.1951	157,378,200	F & A	81½	Jan. 31,'05	84½	74	1,035,000
" registered................		F & A	85¼	Dec. 3,'04	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,609,000	A & O	80	Jan. 31,'05	80½	79	848,000
Dis. Co. of Am. coll. trust g 5's..1911	2,530,000	J & J	99	Sept.16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l Paper Co. 1st con.g 6's.1918	9,724,000	F & A	109½	Jan. 10,'05	109¾	109½	5,000
Int. Steam Pump 10 year deb. 6's.1913	2,500,000	J & J	104¼	Jan. 31,'05	104¼	102¾	110,000

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MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	*Date.*	JANUARY SALES. *High.*	*Low.*	*Total.*
Knick'r'ker IceCo.(Chic) 1st g 5's.1928	1,987,000	A & O	97⅛	Oct. 6,'04	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	107⅛	Jan. 31,'05	107⅛	104¾	823,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,851,000	J & J	93	Jan. 11,'05	93	91	3,000
Nat. Starch. Co's fd. deb. g. 5's..1925	4,187,000	J & J	73	Dec. 19,'04	....	....	....
Standard Rope & Twine 1st g. 6's.1946	2,740,000	F & A	44	Jan. 31,'05	48	42⅛	93,000
Standard Rope & Twine inc. g. 5s..1946	6,806,000	......	1⅛	Jan. 30,'05	5⅛	1¼	294,000
United Fruit Co., con. 5's........1911	2,446,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's...1918	1,624,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb..1915	5,280,000	M & N	111⅛	Jan. 31,'05	112	111⅛	23,000
U. S. Reduction & Refin. Co. 6's..1931	....	......	83⅛	Jan. 14,'05	84	83¼	53,000
U.S. Realty & Imp. con. deb. g. 5's.1924	18,284,000	......	95	Jan. 31,'05	95½	93	418,000
U. S. Shipbldg. 1st & fd g. 5's Ser. A.1932	14,500,000	J & J	28	Feb. 5,'04	....	....	....
" collat. and mge. 5's..1932	10,000,000	F & A	91	Jan. 15,'03	....	....	....
U.S. Steel Corp. 10-60 yr. g. sk. fd 5's 1963	....	M & N	93⅞	Jan. 31,'05	94¼	92	9,369,000
" " " reg. 1963	170,000,000	M & N	94¼	Jan. 31,'05	94¼	92¼	11,000
BONDS OF COAL AND IRON COS.							
Col. Fuel & Iron Co. g. s. fd. g 5's..1943	5,355,000	F & A	104	Jan. 24,'05	104	103¾	6,000
" conv. deb. g. 5's..........1911	1,710,000	F & A	90	Nov. 21,'04	....	....	....
" " registered..............		F & A	....	....	....	....	....
" " Trust Co. certfs......	12,358,000	......	86⅝	Jan. 31,'05	87	84	461,000
Col. C'l & I'n Dev. Co. gtd g. 5's..1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off................	....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's.......1919	640,000	M & N	107½	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.1919	949,000	A & O	102½	July 26,'02	....	....	....
Continental Coal 1st s. f. gtd. 5's..1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's 1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
" 2d g. 5's...................1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal & Coke 1st g. 5's 1951	8,000,000	J & J	105	Oct. 24.19'	....	....	....
Pleasant Valley Coal 1st g. s. f. 5s.1928	1,146,000	J A J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts. Cl & Ir. Co. pur my 5's.1946	1,064,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's..1912	335,000	J & D	....	....	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's..1951	3,526,000	J & J	97⅛	Jan. 31,'05	97⅛	93½	94,000
" Tenn. div. 1st g. 6's......1917	1,160,000	A & O	111	Jan. 12,'05	111	110½	11,000
" Birmingh. div. 1st con. 6's 1917	3,603,000	J & J	112⅛	Dec. 27,'04	....	....	....
Cahaba Coal M. Co., 1st gtd. g. 6's 1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C & I Co. gtd. g. 6's 1910	2,716,500	F & A	105¾	Dec. 18,'04	....	....	....
Utah Fuel Co. 1st s. f. g. 5's......1931	853,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's...1949	6,426,000	M & S	92½	Jan. 31,'05	93¾	86¾	246,000
GAS & ELECTRIC LIGHT CO. BONDS.							
Atlanta Gas Light Co. 1st g. 5's..1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union Gas Co. 1st con g. 5's.1945	14,493,000	M & N	117	Jan. 23,'05	117	116⅝	10,000
Buffalo Gas Co. 1st g. 5's.........1947	5,900,000	A & O	69	Nov. 3,'04	....	....	....
Columbus Gas Co., 1st g. 5's......1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
Consolidated Gas Co., con. deb. 6's..1909	17,653,000	J & J	178	Jan. 31,'05	178	174½	457,000
Detroit City Gas Co. g. 5's.......1923	5,608,000	J & J	101½	Jan. 31,'05	101½	100	22,000
Detroit Gas Co. 1st con. g. 5's.....1918	381,000	F & A	105	June 2,'03	....	....	....
Eq. G. L. Co. of N.Y. 1st con. g. 5's.1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec. of Bergen Co, c. g. 5s.1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s 1942	2,049,400	F & A	91¾	Jan. 27,'05	91¾	91	53,000
Grand Rapids G. L. Co. 1st g. 5's.1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's....1949	10,290,000	M & N	108¼	Dec. 28,'04	....	....	....
Kansas City Mo. Gas Co. 1st g 5's.1922	3,750,000	A & O	100	Oct. 18,'04	....	....	....
Kings Co. Elec. L. & Power g. 5's..1937	2,500,000	A & O	....	....	....	....	....
" purchase money 6's....1997	5,010,000	J & J	127	Jan. 26,'05	127	125	13,000
Edison El. Ill. Bkln 1st con. g. 4's.1939	4,275,000	J & J	96¼	Oct. 7,'04	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	10,000,000	Q F	109½	Jan. 30,'05	109½	109	21,000
" small bonds................							
" refdg. & enten 1st g. 5s.1934	5,000,000	A & O	106½	Jan. 27,'05	106½	106	6,000
Milwaukee Gas Light Co. 1st 4's..1927	7,000,000	M & N	92¼	Jan. 21,'05	92¼	92¼	1,000
Newark Cons. Gas, con. g. 5's....1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y. Gas EL. H & P Co 1st col tr g 5's.1948	15,000,000	J & D	110	Jan. 23,'05	110¼	110	31,000
" registered....................		J & D	110¼	Dec. 30,'04	....	....	....
" purchase mny col tr g 4's.1949	20,927,000	F & A	97¾	Jan. 31,'05	97¾	94⅞	249,000
Edison El. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	105½	Jan. 27,'05	105½	105½	7,000
" 1st con. g. 5's...........1995	2,156,000	J & J	120¼	June 27,'04	....	....	....
N.Y. & Qus. Elec. Lg. & P. 1st. c. g. 5's 1930	2,272,000	F & A	107¾	Jan. 24,'05	108	107¾	8,000
N.Y. & Richmond Gas Co. 1st g. 5's.1921	1,000,000	M & N	100	Mar. 15,'04	....	....	....
Paterson & Pas. G. & E. con. g. 5's..1949	3,317,000	M & S	....	....	....	....	....
Peo. Gas & C. C. 1st con. g 6's...1943	4,900,000	A & O	125	Jan. 6,'05	125	125	1,000
" refunding g. 5's........1947	2,500,000	M & S	106¾	Dec. 28,'04	....	....	....
" refuding registered....		M & S	....	....	....	....	....

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MISCELLANEOUS BONDS—*Continued*.

Name. Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	January Sales. High	January Sales. Low.	January Sales. Total.
{ Chic.Gas Lt&Coke 1st gtd g.5's.1937	10,000,000	J & J	108	Jan. 24,'05	109	108	24,000
Con. Gas Co.Chic. 1st gtd.g.5's.1936	4,346,000	J & D	107½	Jan. 16,'05	107½	107¼	17,000
Eq.Gas&Fuel,Chic.1stgtd.g.6's.1905	2,000,000	J & J	100½	Jan. 11,'05	100½	100½	1,000
MutualFuelGasCo.1stgtd.g.5's.1947	5,000,000	M & N	102½	Nov.30,'04	....	....	....
" registered..	....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g.5's..1951	2,000,000	J & D	...	....	....	....	....
Trenton Gas & Electric 1st g.5's.1949	1,500,000	M & S	112¼	Jan. 27,'05	112¼	111	13,000
Utica Elec. L. & P. 1st s. f'd g.5's.1950	1,000,000	J & J	...	....	...	....	....
Westchester Lighting Co. g. 5's.1950	5,360,000	J & D	113	Jan. 31,'05	113	111¼	16,000
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	38,000,000	J & J	94	June30,'04	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	} 10.596.700	Q & J	92	Dec. 17,'04	....	....	....
" registered....................		Q & J	100½	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	} 1,823,000	M & N	109¾	June22,'04	....	....	....
" registered..................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	111	Jan. 31,'05	111	110⅛	39,000
{ " fundg & real estate g.4½'s.1950	17,000,000	M & N	105⅝	Jan. 31,'05	105⅝	104⅝	326,000
Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	107	June20,'04	....	...	....
Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	103	July28,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

Name Principal Due.	Amount.	Int'st Paid.	Year 1905. High.	Year 1905. Low.	January Sales. High.	January Sales. Low.	January Sales. Total.
United States con. 2's registered...1930	} 542,909,950	Q J	....	....	....	....	......
" con. 2's coupon............1930		Q J	....	....	....	....	......
" con. 2's reg. small bonds..1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered...........1908-18	} 77,135,300	Q F	108⅞	103⅞	103⅞	103⅞	500
" 3's coupon..............1908-18		Q F	105⅛	104⅝	105⅛	104⅝	6,000
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908-18		Q F	....	....	....	....	......
" 4's registered..............1907	} 156,591,500	J A J&O	105⅛	105⅝	106⅛	105⅝	4,500
" 4's coupon..................1907		J A J&O	105⅞	105½	105⅞	105½	5,000
" 4's registered..............1925	} 118,489,900	Q F	....	....	....	....	......
" 4's coupon..................1925		Q F	....	....	....	....	......
District of Columbia 3-65's...........1924	} 14,224,100	F & A	....	....	....	....	......
" small bonds.....................		F & A	....	....	....	....	......
" registered.......................		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914-34	7,000,000	Q F	109⅛	109⅛	109⅛	109⅛	5,000
STATE SECURITIES.							
Alabama Class A 4 and 5..............1906	6,859,000	J & J	101⅛	101⅛	101⅛	101⅛	1,000
" " small............	....	....	....	....	....	....	......
" Class B 5's...................1906	575,000	J & J	....	....	....	....	......
" Class C 4's...................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's................1914	} 10,752,800	J & J	....	....	....	....	......
" " small bonds..........							
North Carolina con. 4's................1910	} 3,397,350	J & J	....	....	....	....	......
" small.......................		J & J	....	....	....	....	......
" 6's.........................1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds......1866-1900	} 556,500	J & J	....	....	....	....	......
" 1868-1898		A & O	....	....	....	....	......
" new bonds.............1892-1898	} 624,000	J & J	....	....	....	....	......
" "		A & O	....	....	....	....	......
" Chatham R. R.......................	1,200,000	A & O	....	....	....	....	......
" special tax Class 1.............	....	A & O	....	....	....	....	......
" " Class 2.............	....	A & O	....	....	....	....	......
" " to Western N. C. R....	....	A & O	....	....	....	....	......
" " Western R. R..........	....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R........	....	A & O	....	....	....	....	......
" " Western & Tar. R......	....	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

NAME.	Principal Due.	Amount.	Int'st paid.	Year 1905. High.	Year 1905. Low.	January Sales. High.	January Sales. Low.	January Sales. Total.
South Carolina 4½'s 20-40	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's	1913	13,122,000	J & J	96¼	96¼	96¼	96¼	10,000
" registered		6,079,000	J & J	....	....	....	....	......
" small bond		362,200	J & J	95	95	95½	95½	500
" redemption 4's	1907	469,000	A & O	....	....	....	....	......
" 4½s	1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of	1991	18,054,809	J & J	97⅛	97⅛	97⅛	97⅛	1,000
" registered			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		3,974,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871		10,416,565	....	18⅞	14½	18⅞	14½	444,000
FOREIGN GOVERNMENT SECURITIES.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series I	1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan	1911	£10,000,000	A & O	99⅛	94½	99⅛	94½	4,002,000
Imperial Russian Gov. State 4% Rente		2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000,000	M & N	....	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200		£21,968,200	......	100¼	100	100¼	100	26,000
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000		....	......	....	....	....	....	......

BANKERS' OBITUARY RECORD.

Augst.—George A. W. Augst, Cashier of the Fourth National Bank, St. Louis, Mo., died January 5. He was born in Germany in 1830, and came to this country in 1849. In 1854 he went to St. Louis, and was for a time in the employ of a wholesale grocery firm there. He had been associated with the Fourth National Bank for forty-one years.

Bishop.—George Bishop, Cashier of the German Savings Bank, of Brooklyn, N. Y., died January 4, aged seventy-three years. He was one of the organizers of the bank in 1866, and was immediately made Cashier, holding the place until his death.

Brown.—J. D. Brown, Vice-President of the Citizens' Bank, of Tiro, Ohio, died January 10.

Buchanan.—John S. Buchanan, former postmaster at Ambler, Pa., and President of the First National Bank of that place, died January 19, aged forty-three years.

Bunn.—William Bunn, President and principal owner of the Farmers and Merchants' Bank, Byron, Ill., died January 18, aged sixty-eight years.

Call.—Dennis Call, one of the organizers of the Beaumont (Tex.) National Bank, and its Vice-President, died December 30.

Christensen.—Gen. Christian T. Christensen, who was President of the Brooklyn (N. Y.) Trust Co. until his retirement three years ago, died at Copenhagen, Denmark, January 26. He was born in Denmark seventy-three years ago and when eighteen years old came to this country. After being connected for five years with the firm of Davis & Henriques, wine and liquor merchants, he became a partner in the firm of Pepoon, Naxro & Co., note brokers. Directly after the start of the Civil War he went to the front as First Lieutenant of Company I., First New York Volunteers. He soon received an appointment on the staff of Gen. Wood, and was later chief of staff to Gen.

Canby. He served with distinction all through the war, and at its close was a Brigadier-General.

Returning to New York he became a member of the coffee firm of B. G. Arnold & Co. He was subsequently engaged in the banking business in California. After two years he returned to New York and became manager of the banking firm of Drexel, Morgan & Co. He remained with the firm for ten years and in 1890 assumed the presidency of the Brooklyn Trust Company.

During his long residence in Brooklyn, Gen. Christensen was active in religious and philanthropic work. For forty-five years he was one of the leading members of Plymouth Church, and for most of the time was on the official board. He was a member of the National Guard from 1879 to 1885, and for two years commanded the Second Division. He leaves a widow and eight children.

Clark.—Joseph S. Clark, President of the Eastchester Savings Bank, Mount Vernon, N. Y., died January 7, aged sixty-nine years.

Crane.—John M. Crane, a director of the National Shoe and Leather Bank, New York city, and former President of the bank, died December 30. He had been with the bank over fifty years, but was compelled by ill-health to retire from the presidency about three years ago. Mr. Crane was born at Jamaica, N. Y., seventy-two years ago.

Crim.—Hon. Joseph N. B. Crim, President of the First National Bank, Philippi, W. Va., died January 14, aged sixty-eight years. He was a member of the West Virginia Constitutional Convention in 1872, and was one of the wealthiest men of his section of the State. His interests in educational and philanthropic affairs were also large.

Eshelman.—Henry E. Eshelman, Cashier of the Jonestown (Pa.) Bank died January 24, aged fifty-six years.

Finney.—William C. Finney, Cashier for Messrs. Parker, Ewing & Co., Little Rock, Ark., died January 1. He was stricken with apoplexy while on his way home.

Hanley.—John B. Hanley, President of the First National Bank, Demopolis, Ala., and also of the Bank of Carrollton, Ala., died January 6.

Hill.—R. S. Hill, President of the Farmers and Merchants' Bank, and the Farmers' Loan and Trust Co., Anderson, S. C., and largely interested in manufacturing enterprises, died December 31.

Jackson.—James A. Jackson, Cashier of the People's Bank, Troy, Mo., died January 19, aged sixty years.

Loomis.—Charles M. Loomis, Secretary and Treasurer of the Oil City (Pa.) Trust Co., died January 14, aged fifty-two years.

Lowndes.—Hon. Lloyd Lowndes, former Governor of Maryland, ex-member of Congress and President of the Second National Bank, Cumberland, Md., died January 8. He was born at Clarksburg, Va., February 21, 1845, and graduated at Meadville, Pa., in 1865. He studied law in Philadelphia, and was graduated from the Law School of the University of Pennsylvania. He located at Cumberland, Md., where he built up a large practice, and became prominent in business. He was elected a member of Congress in 1872, and was Governor of Maryland from 1895 to 1899, being the only Republican elected to that office since the end of the Civil War.

Machold.—William Machold, Vice-President of the Second National Bank, Hoboken, N. J., and Treasurer of the Hoboken Bank for Savings, died January 17, aged seventy-nine years.

Sheffield.—E. S. Sheffield, President of the Santa Barbara County National Bank, Santa Barbara, Cal., died January 6, aged fifty-nine years. Formerly he was connected with a bank at Ottumwa, Iowa, as Cashier, but had resided at Santa Barbara since 1875. He was President of the Board of Water Commissioners, and was one of the oldest residents of Santa Barbara, and one of the most respected citizens.

Stinson.—Francis G. Stinson, President of the First National Bank, Norristown, Pa., died December 29, aged seventy-six years.

Vaux.—Edward S. Vaux, President of the Commercial Savings Bank and Trust Co., Camden, S. C., died December 29, aged thirty-six years.

THE

BANKERS' MAGAZINE

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FIFTY-NINTH YEAR. MARCH, 1905. VOLUME LXX, No. 3.

THE ANTI-CAPITALISTIC AGITATION which seems to have taken so strong a hold of the popular imagination may spread far beyond the limits dreamed of by those who initiated the movement. Naturally the great corporations representing wealth in its most conspicuous form, were the first to be attacked; but it is doubtful if the destructive forces aroused by subtle demagogic appeals can be confined within the bounds which the chief inciters of the anti-capitalistic onslaught have fixed. According to high authority, it is only the criminal misdeeds of the trusts that are to be punished, which is unobjectionable enough if the programme is strictly carried out. It is sometimes easier, however, to inflame popular prejudices than it is to control them when once they are awakened.

While the present outcry seems to be directed chiefly against what are known as trusts, it is by no means improbable that all concentrations of capital will be finally made to feel the heavy hand of the strenuous school of statesmanship. The insurance companies and trust companies already have been declared to be proper subjects of Federal regulation, and the Savings banks may be the next class of institutions to be regulated and perhaps suppressed. This latter could be accomplished by introducing a system of Postal Savings banks with which the banks organized under State laws could not compete. Pretexts could be found, no doubt, for restraining the operations of State banks also.

In the case of Savings banks it might be plausibly argued that as they are heavy investors in railway bonds—and it being well known that the railways by their discriminations in rates are the feeders of trusts—they are guilty of aiding in a conspiracy to unlawfully fix prices. The trust companies, as well as the State and National banks, have also either engaged in promoting the formation of most of the trusts or have given them aid and encouragement by lending them money. Since legislation is to be directed against the abettors of trusts, as well as against

the trusts themselves, the banks may be expected to be on the list for proper attention at the appropriate time. It is not likely that all the banks will be closed up summarily. What the trust-buster most loudly calls for is that all the offenders be put in prison, but as the prison accommodations are somewhat restricted it is not thought that this suggestion will be carried out literally. Of course, if the promoters and encouragers of trusts are to go to jail, punishment must also be inflicted upon those who have bought the shares of the trusts. In fact, it is apparent that the investors who bought millions of watered stocks at top prices will have to have some specially severe penalties prescribed for them if there is to be any effectual remedy for the gross overcapitalization of trusts. While capital punishment would be effectual, it would perhaps be harsher than necessary. It is probable that confinement during life in some retreat for the feeble-minded will tend to prevent this unfortunate class from again repeating their past follies.

The willing consumers of trust-made products will not be overlooked when the populistic element gets control. Even Mr. ROOSEVELT and Mr. BRYAN, the most ardent haters of trusts in the country, have, like most of their fellow citizens, partaken of the palatable products of the trusts. A refusal to eat, drink, smoke, wear or in anywise use any trust-made article would destroy the trusts more surely than any laws that can be passed. Possibly some of the proposed methods for ridding the country of trusts would greatly diminish the population of the country, but those remaining would at least be free of the suspicion that they were open to the seductive influences of wealth. If in the process of annihilating the trusts all accumulated wealth should be destroyed, there would be consolation in the fact that a virtuous people would remain, purged of the lust of gain, and that they could devote their attention in the future solely to procuring from the soil the bare necessities of life, any surplus remaining over to be annually destroyed to prevent the recurrence of present conditions where wealth accumulates and men decay. Divested of the perplexities incident to the struggle for wealth, everybody will have time—and a great deal of it will be required—to become thoroughly familiar with the profound economic doctrines of Mr. LAWSON and his more illustrious imitators.

THE TAXATION OF STOCK SALES is provided for in a bill recently introduced into both houses of the New York Legislature. It is proposed to impose a tax of two cents per hundred dollars or fraction thereof upon "all sales or agreements to sell, or memorandum of sales or deliveries or transfers of shares or certificates of stock in any domestic or foreign association, company or corporation, made after the first day of June,

1905, whether made upon or shown by the books of the association, company or corporation, or by any assignment in blank, or by any delivery, or by any paper or agreement or memorandum or other evidence of transfer or sale, whether entitling the holder in any manner to the benefit of such stock, or to secure the future payment of money or the future transfer of any stock." The payment of the tax is to be denoted by adhesive stamps.

There are, perhaps, few forms of taxation more odious than stamp taxes. But this consideration aside, the proposal is one that, if enacted into law, will operate to the disadvantage of New York city in particular. If the tax were uniform throughout the country, it would be less objectionable in its operations. By placing a tax on the sales of stocks in this market, while similar operations at other centers are not subject to the same penalty, business of this character will be conducted here at a disadvantage. The tax is larger than it should be in any case, and with the inequality pointed out, it may be serious enough to divert considerable business to New York's rivals. Business often seeks the line of least resistance, as is being realized in the grain exporting trade. Doubtless if this tax should be imposed, a few years later learned committees would be seriously considering the causes of the decline in the volume of transactions at the New York Stock Exchange.

If stock sales are to be taxed it would seem logical to tax the sale of all other classes of property.

THE RELIANCE ON LAW as a corrective of all the evils of society is one of the marked tendencies of the present. This is strikingly illustrated by a compilation made by the New York State Library, entitled "Year Book of Legislation, 1903." It classifies the acts passed by the various State Legislatures in that year, and contains a brief summary of the acts. The book is an octavo volume of nearly 800 pages. Most of us, perhaps, were under the delusion that there were already laws to meet all possible contingencies, but here are new acts whose authors doubtless believe them to be the only efficacious remedies for the several shortcomings they are designed to correct. Next year, no doubt, other laws more drastic in character will be passed covering many of the same subjects, and thus with some forty or fifty State lawmaking bodies in annual or biennial session, the effort to bestow wisdom and virtue upon man by act of parliament, will go on without interruption.

With all these State Legislatures doing their best, and with all the elaborate machinery for interpreting and enforcing the laws, it might be thought that human conduct could be brought under at least reasonable control, and that even the encroachments of trusts and corporations

upon the popular rights might be checked. It is obvious, however, that the trust snake has been scotched, not killed, by the States, and that the monster can be despatched only with the strong arm of the Federal Government. Congress is therefore appealed to, and the House of Representatives passes almost unanimously (326 to 17), and with only a few hours' debate, a measure that places within the hands of Government agents the power to fix the transportation rates to be charged by the railroads of the country.

It is probably not an exaggeration to say that if every State and Federal statute relating to trusts were repealed, there would be sufficient legal authority left to restrain the evils of trusts and corporations if the public temper was determined upon such a course. Both investors and consumers have submitted to numerous invasions of their rights without invoking the abundant means of protection which the laws provide. Individuals, instead of enforcing their just claims, look more and more to the Government for defense. A rotten corporation is formed, the shareholders boldly swindled, and instead of taking the necessary steps to recover their investments and put the perpetrators of fraud in prison, the losers in the game content themselves with agitating for the reform of the corporation laws. This apathy on the part of the public acts as an inducement to the fraudulent or shady promoter, who as a rule merely runs the risk of mild criticism for being over-sanguine, while the defrauded investor writes to his newspaper demanding that corporations be placed under Federal control.

Until investors and consumers show a disposition vigorously to maintain their rights, it may be doubted whether the State Legislatures or Congress can afford any effectual relief from whatever abuse there may be of corporate power. We have not yet reached that state of human perfection where children may be educated by statute, and even men, it seems, must continue to learn in the school of painful experience.

THE PUBLIC REGULATION OF CORPORATIONS, so much relied on to remedy the evils that have grown out of some of these organizations, may not have just the effect popularly supposed. In the case of moneyed corporations, such as banks and insurance companies, it is comparatively easy to prescribe legislative checks, but the problem becomes greatly complicated in dealing with industrial corporations. It is easy to regulate the capital of a bank by providing that it shall not be less than a certain sum, and that it must be fully paid in money, either before the commencement of business or at a fixed date thereafter. But in valuing an industrial plant many other questions have to be taken into consideration, some of which are exceedingly difficult.

Although the public control of banking has no doubt been beneficial, it has not prevented disastrous bank failures. And it is noticeable that whenever these failures occur the press and the public severely criticise either the banking laws or their administration—usually the latter. Whether these criticisms are well founded or not, they seem to imply that the public have been led to put faith in the banks because these institutions are regulated by the State or Federal laws. Without stopping to inquire whether the defrauded depositor is justified in setting up this plea, it may be admitted that this consideration enhances the faith of the people in their banking institutions. While the Government makes no direct guaranty (except in the case of note issues), it extends at least a qualified guaranty by enacting stringent laws and prescribing penalties for their infringement. Reports are required and examinations made, all with the view of affording a certain measure of protection to shareholders and depositors. This policy of limited paternalism is perhaps necessary, and as a rule its operations are salutary; but not infrequently its effects are to lull suspicion and induce depositors to relax the vigilance they might otherwise exercise before entrusting their money to a bank about whose management they may know little.

If the Federal Government shall finally put the seal of its authority on all forms of corporate enterprise, either this supervision must be so drastic as to afford investors and others real protection, or the result will be that the fleecing of the public through the instrumentality of improperly-organized corporations will be greatly facilitated. The Government supervision of banking has been made reasonably effective, and anything less thorough than the system of National bank supervision can not be applied to all inter-State corporations without defeating the real purpose of Federal control. If the United States puts its stamp upon all corporations, the public have a right to demand that this shall be a certificate of compliance with such laws as will assure a fair degree of protection to investors and others.

The death of Jay Cooke, which occurred February 16, brings to mind the vast financial operations of the Civil War period, and the important part taken by Mr. Cooke in floating the loans made to carry on the war. His success in selling Government bonds was probably largely due to his great faith in the people of the United States and a just estimate of the country's resources. He believed in advertising, and in disposing of the bonds he went about it like a merchant who has goods to sell and invites the public to buy. He spent large amounts in advertising, and as a result the demand for bonds was greatly increased, and the house of J. Cooke & Co. floated a total of $2,000,000,000. It is said

that after deducting the expenses, the profit on these huge transactions was only $200,000.

Mr. COOKE's faith in the future of the Northwest was shown by his energetic work in promoting the construction of the Northern Pacific Railroad. The monetary disturbances resulting from the rapid extension of railway enterprises in 1873 led to the suspension of the firm of J. COOKE & Co. on September 18 of that year. Mr. COOKE, however, paid off all his obligations within a few years after his failure, made another large fortune, and lived to see the Northern Pacific Railroad a successful reality. He was once asked to explain how he retrieved his fortune, and made the following reply:

"That is simple enough. By never changing the temperament I derived from my father and mother. From my earliest experience in life I have always been of a hopeful temperament, never living in a cloud. I have always had a reasonable philosophy to think that men and times were bettter than harsh criticism would suppose. I believed that this American world of ours was full of wealth and that it was only necessary to go to work and find it. That is the secret of my success in life. Always look on the sunny side."

It is reported that General GRANT, meeting Mr. COOKE's son during the progress of the war, said: "Tell your father that it is to his labors more than to those of any other man, that the people of this country owe the continued life of the nation." This was, of course, but a fair recognition of the fact that military valor and patriotism—however necessary these may be to a victorious armed conflict—require the sinews of war to translate these qualities into effectual instruments of warfare. With the improvement of military equipment personal bravery becomes less important, though it is still by no means a negligible quantity. But battles to-day are determined more and more by the effective use of material resources and skill, and depend less than formerly upon individual courage.

ROBERT MORRIS has been justly honored as the Financier of the American Revolution. Although JAY COOKE's task was greater, it was probably much less difficult, but he is deserving of honorable memory among the figures of the Civil War epoch. He never claimed, perhaps, to have been animated solely by patriotism, though he was undoubtedly as much a lover of his country as were those who gave their lives in its service. He realized, however, that in marketing the Government securities an appeal could be properly made to enlightened self-interest—not merely in the form of profits to be made from the bonds, but in the greater benefits that would ensue from the vigorous prosecution of the war and an early restoration of peace.

Mr. COOKE was born at Sandusky, Ohio, August 10, 1821, and al-

though in his eighty-fourth year, he enjoyed vigorous health up to within a few hours of his death. He had long since retired from active business, spending his later years at Ogontz, his country estate near Philadelphia, and at his summer home on an island in Lake Erie.

THE SUPPRESSION OF STATE BANKS IN TEXAS, which for so long a time has given that State a unique position in this respect, is to be supplanted by a policy permitting such institutions, if measures looking to that end and now up before the Legislature shall be passed.

The first constitution adopted after the admission of Texas into the Union contained this clause: "No corporate body shall hereafter be created, renewed or extended, with banking or discounting privileges." This clause has been part of the fundamental law of the State ever since, except for a brief period under the Reconstruction regime following the Civil War. Under the rule of this element a constitution was adopted in 1869 omitting the prohibition of State banking, and in 1871 the Legislature passed an act providing for the organization of banks. Four such corporations were organized and for some years reported to the Secretary of State. All have gone out of business as State institutions, some having failed, while others went into the National banking system.

When the Reconstruction forces were ousted from control of State affairs, a new constitution was adopted reviving the clause forbidding State banks. Recently, however, an amendment has been carried removing this prohibition.

Several bills have been introduced in the Legislature providing for the incorporation of State banks. In their general features most of these measures resemble the laws that have been found best adapted to the security of banking. One bill provides for a capital as low as $5,000, a reserve of twenty per cent.—which is larger than is required for National banks outside the reserve cities, and the loans to one person, firm or corporation are limited to twenty-five per cent. of capital, and the surplus may also be considered part of the capital for this purpose, provided said surplus equals or exceeds fifty per cent. of the capital stock. This is much more liberal than the provision in the National Banking Act, which limits such loans to ten per cent. of the capital. If other States should imitate the example of Texas—assuming that the above measure becomes a law—the National banks would find that in many cases in order to compete with State banks, they would either have to increase their capital or violate the law.

An interesting question has arisen in connection with the proposed legislation in Texas. Some of the bills require all banks to be incorpo-

rated. This would wipe out private banking altogether, as has been done in several other States. Whatever may be said as to the desirability of having all banking conducted either under the National or State systems, it is hardly to be wondered at that the existing private banks should object to such a policy. It would seem to be fair that the private banks doing business at the time of the adoption of the amendment should not be disturbed, but that if it is considered desirable to have all banks incorporated, this should apply only to banks established after the law goes into effect.

There are in Texas, as elsewhere, many old and reputable private banking firms, and to require them to incorporate would in a measure destroy their identity. Public opinion seems to be tending in favor of official supervision of banking, but no substantial injury could result if existing private banks were exempted from any such laws. To destroy by an act of legislation a banking business carefully built up and handed down from generation to generation is a serious matter, and it is also doubtful whether it can be done legally. Certainly it can not be done without an invasion of individual rights.

THE INVESTMENT OF BANKING FUNDS in stocks and bonds is a natural development of the increase in the volume of securities of this character. A compilation has been made by the "Wall Street Journal" showing that the investments of the National banks in bonds and stocks have risen from $198,000,000 in 1897 to $605,000,000 in 1905, and that while these investments were but 20.3 per cent. of capital and surplus in 1897, they amounted to 44.2 per cent. in 1905. In New York city the percentage rose from 34 in 1897 to 58.4 in 1905.

These figures appear on their face to show that the National banks, instead of using their capital and surplus in what are termed pure banking transactions, are entering very largely into the investment field. But as is further pointed out in the article referred to, this deduction is not so important as appears at first sight. Compared with the total resources of the banks, it is found that the percentage of stocks, securities, etc., was 5.7 in 1897 and only 8.5 in 1905. This does not show that any considerable proportion of the resources of the National banks has gone into investments, and the slight gain is hardly more than might have been expected from the remarkable increase in the volume of sound securities seeking a market at attractive rates.

Banking opinion differs somewhat as to the best policy in respect to the purchase of stocks and bonds, many bankers holding that all the funds should be used in loans on commercial paper or on collateral. There are, on the other hand, many well managed banks

that make purchases of stocks and bonds. Where the selection of securities has been carefully made, and speculation has been avoided, this course is not open to serious objection, provided such investments are carefully restricted in amount as well as character. There seems to be no doubt that commercial paper should always predominate in a bank's assets, though an instance is known of a bank having $13,000,000 deposits and $9,000,000 invested in securities. It has been one of the notably successful banks in the city where it is located, and no panic has ever shaken the confidence of the public in its soundness.

While theoretically obligations in the form of commercial paper are more liquid in character than stocks and bonds, this is qualified to some extent by conditions. In a commercial panic notes unsecured by collateral would be less easily converted into cash than stocks and bonds, while in a monetary panic the situation would be reversed.

The comparatively small amount which the National banks have invested in stocks and bonds, is only a fair distribution of the character of their resources. While the banks keep most of their eggs in one basket, they have a few others laid by in case of accident.

THE GREAT FINANCIAL MARKETS of the world—London, New York and Paris—are made the subject of an interesting article, by W. R. LAWSON, in this issue of the MAGAZINE.

Mr. LAWSON points out the part taken by each of these great capitals in international financial transactions. He says that while London maintains its supremacy as the world's bill-broker, New York furnishes a large part of the bills, and Paris in turn supplies a considerable share of the money necessary to carry on the transactions. While he regards it as improbable that New York will in the near future, if at all, supersede London as the chief bill-broking center of the world, he does not regard this as anything about which the New York banks need be seriously concerned, as the profits of these operations under present conditions are hardly worth contending for. As a matter of fact, the London banks seem to be losing their hold on this trade, which is going more and more into the hands of the foreign banks, many of which have agencies in the British capital.

THE FOREIGN TRADE of the United States is showing an increased balance of imports over exports. For the month of January, 1905, the merchandise imports were valued at $98,358,756, compared with $82,589,866 in 1904, $85,174,986 in 1903, $79,138,192 in 1902, and $69,307,080 in 1901. For the full year, ending with January, the imports

were: 1905, $1,051,678,480; 1904, $992,909,407; 1903, $975,353,464; 1902, $890,251,022; 1901, $822,559,692. Both for the month of January, 1905, and for the year ending with that month, the imports were larger than at any time since 1900. Turning to the exports of merchandise, we find that in the month of January, 1905, they amounted to $123,445,404, compared with $142,045,170 in 1904, $133,992,269 in 1903, $129,145,180 in 1902 and $136,325,601 in 1901. Thus the exports for January were smaller than in any year since 1900. For the complete year closing with January the exports have been: 1905, $1,432,718,974; 1904, $1,492,805,984; 1903, $1,365,533,022; 1902, $1,458,195,439; 1901, $1,496,674,566. In the past year the exports have fallen to the lowest figure of any year in the period under consideration, excepting only 1903. The excess of merchandise exports over imports for the year ending with January was $381,040,494, compared with $499,896,577 in 1904, $390,179,558 in 1903, $567,944,417 in 1902 and $674,114,874 in 1901. The excess of exports is therefore smaller than for any year since 1900, and compared with 1901 there has been a decline of $293,074,380 in the favorable trade balance.

An examination of the details making up these figures might modify the conclusions drawn at first sight. However that may be, the tendency indicated by these statistics is worthy of thoughtful study.

THE BUSINESS OUTLOOK continues favorable. Although the winter has been a severe one, there has been an absence of those sudden and violent changes which so frequently injure the wheat crop. Of course, it is a long time till harvest, but at least a critical part of the season has been passed in safety. Despite the recent agitation in and out of Congress, it is unlikely that there will be any radical business legislation in the near future. While it is never safe to prophesy—since the unexpected always happens—yet all signs seem to point to a continuance of prosperity for a long time to come.

THE HOUSE OF REPRESENTATIVES, in the closing hours of the recent session of Congress, passed a measure to pay $190,000 to members of Congress for mileage which was supposed to be due them for attending the session following the "constructive recess" of December, 1903. Of course, as they made no journeys to or from their homes, they were not justly entitled to this money. The item was stricken out by the Senate, so the people will not have to pay it. But the passage of the measure by the House was a regrettable exhibition of blunted moral sense.

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

STATE STATUTES RELATING TO TRUST COMPANIES—*Continued.*

NEBRASKA.

This State has no statutes relating to trust companies. Paragraph 2081 of the Compiled Statutes (chapter 16, section 123), provides that "any number of persons may be associated and incorporated for the transaction of any lawful business."

NEVADA.

This State has no statutes relating to trust companies or to banks. The general incorporation laws provide (Laws of 1903, chapter 121) that three or more persons may incorporate for the transaction of any lawful business, except to carry on within the State an insurance business, or that of a surety company, or that of a railroad company other than a street railroad. Such a corporation has, in addition to certain specified and ordinary powers of corporations, "the powers expressly given in its articles or certificate under which it was incorporated."

NEW HAMPSHIRE.

Trust companies, as well as banks, are incorporated only by special act of the Legislature. The powers of such corporations are enumerated in their charters. There are a few general laws regulating the business of trust companies. For purposes of taxation, they are required to report to the State Treasurer annually, on or before May 1. The company must pay to the same official annually, in October, a tax of three-fourths of one per cent. upon the amount of the general deposits on which it pays interest, after deducting the value of its real estate and the value of its loans secured by mortgage on real estate in the State made at a rate not exceeding five per cent. per annum; and in addition a tax annually of one per cent. upon the capital stock, less the value of all real estate owned by the corporation and not already deducted from the amount of the general deposits as hereinbefore provided. Such taxes are in lieu of all other taxes against the corporation, their stockholders and their depositors on account of their interests therein. Trust companies are under the supervision of the Bank Commissioners, who are required to examine them annually, or oftener when so directed by the Governor. If unsafe conditions are revealed, the Bank Commissioners may apply to the supreme court for the appointment of an assignee to take charge of the institution. Trust companies are forbidden to make loans to officers or directors except by the unanimous approval of the board of directors in writing. If the company transacts the business of a savings bank, such business must be

* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

conducted in a separate department, which is amenable to the laws governing Savings banks. Trust companies are forbidden to commence business until they have satisfied the Bank Commissioners that their capital has been paid in in accordance with the provisions of their charters. The management of such companies shall consist of a board of trustees or directors elected annually, who must be sworn to the faithful discharge of their duties, and one of whom shall be elected President of the company. Such board shall elect an investment committee of not less than three of its members. The board must meet at least once each month, and receive the report of the investment committee. Each director must be the absolute owner of at least ten shares of stock ; or of at least five shares if the capital stock does not exceed $50,000. A trust company may not hire money or give its note except on the duly recorded vote of the directors. The directors are required to make a semi-annual examination of the company, forward reports of such examinations to the Bank Commissioners, and publish copies of same in a local newspaper. For the record of loans and investments, trust companies must keep a separate book, with classifications as required by the Bank Commissioners, which book must be submitted to the Commissioners or the directors at each examination. The Treasurer of the company must report to the Bank Commissioners the condition of the company annually as of the last business day of June. Officers and employees are forbidden to receive any fee, present or benefit from borrowers as an inducement to make loans. Trust companies are forbidden to loan to one person, firm or corporation an amount in excess of ten per cent of their capital, or to hold, both by way of investment and security for loans, the stock and bonds of any corporation to an amount in excess of said ten per cent., or to make loans on their capital stock.

(Laws of 1895, chapters 90, 92, 105 and 108 ; Laws of 1899, chapter 14 ; Public Statutes, chapter 65, § 12, and chapters 162, 163 and 165, passim.)

New Jersey.

The laws of this State regarding trust companies were carefully revised in 1899, and the Trust Company Law of that year is quite elaborate. Seven or more persons "of full age" may incorporate a trust company. The name of the company must contain the word "trust," and no company incorporated under any other act may use such word in its title. The capital must be at least $100,000 full paid, divided into shares of $100 each. More than one class of stock is forbidden. The proceedings for incorporation are specified in detail.

In addition to the usual corporate powers, such a company "whether such powers are set forth in its charter or certificate of incorporation or not," shall have power : To act as fiscal or transfer agent, and in such capacity to receive and disburse money ; to act as registrar ; to act as agent for corporations, foreign or domestic ; to receive deposits of trust moneys, securities and other personal property ; to loan on real or personal security ; to hold such real estate as is necessary or convenient for the transaction of its business, or as its purposes may require, and such as is acquired in the settlement of debts due to it ; to act as trustee under a mortgage or bond issue, "and to accept and execute any other municipal or corporate trust not inconsistent with the laws of this State ;" to execute trusts for

married women in respect to their separate property and to be their agent in the management of same ; to act under appointment of court as guardian, receiver or trustee of the estate of any minor, and as depository of any moneys paid into court ; to receive and execute court trusts ; to manage estates ; to receive and execute trusts of any nature or description confided to it by persons, bodies politic, corporations or other authority, and to hold any property or estate, real or personal, that may be the subject of any such trust ; "to purchase, invest in and sell stocks, promissory notes, bills of exchange, bonds and mortgages and other securities," but "no corporation created under this act shall have power to discount commercial paper ;" to give its bonds or obligations for moneys or securities for moneys borrowed or received on deposit or for investment ; to act as assignee or trustee under an assignment ; to act as receiver or trustee ; to act as executor, administrator or as committee of the estates of lunatics, idiots, persons of unsound mind and habitual drunkards ; to do a safe deposit business, a title insurance business, a fidelity insurance business, and to become sole surety in cases where by law two or more sureties are required, provided such powers are enumerated in the certificate of incorporation ; to collect coupons or interest on securities ; to receive and manage any sinking fund ; "generally to execute trusts of every description not inconsistent with the laws of this State or of the United States;" to receive money on deposit subject to check or otherwise.

Trust companies are forbidden to make loans upon bills, notes or other evidences of debt, except to a county, city, town, township, borough or municipality of this State, unless the same shall be secured by mortgage upon lands or by other securities, the actual market value of which other securities shall at all times exceed by at least ten per centum the amount loaned upon the same. Funds or property held in trust must not be mingled with the other funds or property of the company. Such a company may not be appointed to act as assignee, receiver, administrator, guardian or trustee by any surrogate or court of the State, until it has set apart a fund specially devoted to securing its liabilities in such capacities of trust and confidence, invested in securities of the character in which trust funds may by law be invested, and has deposited such securities with the register of the prerogative court. This fund must be equal to at least one-fifth the amount of the liabilities for which the fund is especially responsible, unless the fund equals or exceeds $100,000—in which case it must be equal to at least one-tenth of such liabilities. However, the creation of this fund is not required when the trust company gives security in the manner prescribed by law in such behalf for natural persons, or in cases where the trust company shall have been appointed as executor or trustee by any will or deed. If the deposit be made, no other security shall be required.

A list of stockholders of record must be kept which must be open at all times during business hours to the inspection of any stockholder. The affairs of every trust company shall be managed by a board of not less than five directors, elected annually. Before the directors may declare a dividend, one-tenth of the net profits must be carried to a surplus fund until such fund equals twenty per centum of the capital. The directors must appoint examining committees who must examine the affairs of the company every six months. No loans may be made to directors, officers or employees unless the proposition

to make such loan shall have been submitted in writing to the directors or executive committee and regularly approved by a majority of those present constituting a quorum, nor shall such persons be permitted to become indebted to the company through an overdraft. At least two reports each year must be made to the Commissioner of Banking and Insurance, according to a form prescribed by him, and abstracts of such reports must be published once in a local newspaper. The Commissioner may call for special reports. No trust company shall make loans on its own stock: or be a purchaser of same unless such purchase be necessary to prevent loss on a previously contracted debt; and stock so purchased must be disposed of within one year. Deposits made by minors are under their control.

Every trust company receiving deposits of money subject to check or payable on demand shall keep a reserve fund of fifteen per centum of all its immediate demand liabilities. One-fifth of this must consist of cash on hand; the balance may consist of deposits in "good, solvent banks or trust companies." Trust companies are subject to the inspection and supervision of the Commissioner of Banking and Insurance, who must examine them when he deems it expedient or at their request. If unsafe conditions are revealed, he may take immediate possession, notifying the Attorney-General, who shall institute such proceedings as are necessary. The capital of a trust company must be taxed in the taxing district where its office is situated, and its real estate where such real estate is situated. Trust companies are specially authorized to act as depositories for the moneys of counties, cities and other municipalities.

(Laws of 1899, chapter 174; Laws of 1902, chapter 71; Laws of 1903, chapters 210 and 214.)

New Mexico.

Fifteen or more persons, a majority of whom are residents of the Territory, may incorporate a trust company. Articles of agreement must be filed with the Territorial Auditor of Public Accounts and with the probate clerk of the county. The capital stock actually subscribed must be at least $250,000, of which at least $100,000 must be paid in lawful money of the United States. The number of years that the corporation is to continue may not exceed fifty.

Powers specified: To receive money in trust; to guarantee special deposits; to do a safe deposit business; to accept and execute all such trusts and perform such duties of every description as may be committed to them by courts; to hold in trust real or personal property from whatever source received, and to execute any lawful trusts regarding same; to act as principal or surety and to guarantee against loss any principal or surety on any bonds required by law; to act as agent or attorney in-fact for persons or corporations in the management of real or personal property and for the investment of money; to act as transfer agent and registrar; to execute trusts for married women with respect to their separate property, real or personal, and to act as agent in the management of same; to act as executor, administrator or as guardian of the estate or curator of any infant, insane person, idiot or habitual drunkard or convict; to do a fidelity insurance business; to guarantee the principal or interest, or both, of any securities of any kind; to conduct a title insurance business; to loan money on real estate and collateral security; to purchase, invest in and sell all kinds of Government,

State, municipal and other bonds, and all kinds of negotiable and non-negotiable paper, and other investment securities. Courts are authorized to appoint trust companies as administrators, guardians, trustees, receivers, assignees, or in other fiduciary capacities, and as legal depositories for funds in the keeping of persons holding fiduciary appointments. Such court or officer may make orders regarding such trusts, and require such accounts as could be required of a natural person acting in such capacity. Any trust company may qualify as executor, administrator, guardian, receiver, trustee, assignee, committee or in any other fiduciary capacity or as depository of money in court, may become sole guarantor, surety upon bonds, and so on, without giving bond, upon making with the Auditor of the Territory a deposit of not less than $50,000 nor more than $200,000, as the Auditor may from time to time require, in cash, Treasury notes of the United States, or Government, State or Territorial bonds, or bonds of any county of this Territory which has not defaulted in the payment of its obligations for five years. Such deposit shall be primarily liable for the obligations of such corporation acting in fiduciary capacities, and shall not be liable for any other debt or obligation of the corporation until all such trust liabilities shall have been discharged. But such corporations may act in such fiduciary capacities without having made such deposit, upon the execution and approval of a bond as required by law in the case of individuals. The securities deposited with the Auditor must be by him turned over to the Treasurer of the Territory, who shall have custody of same.

No dividends may be declared by trust companies until at least $250,000 of the capital stock has been paid in. Before dividends are declared, one-tenth of the net earnings must be carried to a surplus fund until such surplus fund equals twenty per centum of the paid-in capital stock.

Such corporations may not make loans on their own stock; nor shall they purchase their own stock, except to prevent loss upon a debt previously contracted, in which case such stock must be disposed of within six months. Loans to any one person may not exceed twenty per centum of the paid capital, and loans to any director, officer or employee must not exceed ten per centum of the paid capital. Such corporations must maintain a reserve of fifteen per cent. of their liabilities other than the liabilities for which bonds in an amount not less than $50,000 have been deposited with the Auditor of the Territory. Three-fifths of the reserve may consist of balances due the corporation from any National, State or Territorial banks or from any trust companies designated by the Auditor of the Territory.

Trust companies are required to make to the Auditor of the Territory not less than four reports during each year, according to the form which may be prescribed by him, and such reports must be published in a local newspaper. The Auditor may in his discretion call for special reports at any time. He is required to make examinations of trust companies once each half year, and oftener if he deems it necessary. If unsafe conditions are found, he may take charge of the company, and notify the Governor, who shall require the Solicitor-General to institute proceedings for the appointment of a Receiver. Trust companies may become depositories of Territorial moneys to an amount not exceeding forty per centum of their paid-up capital. The affairs of such companies shall be managed by a board of not less than five directors, each of whom

shall own at least ten shares of stock, and a majority of whom shall be bona fide citizens of the Territory. Directors serve for one year, unless the articles of incorporation divide them into classes so that the terms of a part of them expire each year, in which case the terms may be for three or five years. They are required to take an oath for the faithful performance of their duties. Trust companies may hold real estate needed for the business, and such as is obtained in the settlement of debts due to them, but the latter must be disposed of as speedily as possible. Provision is made for the conversion of building and loan companies into trust companies. The provisions of the general incorporation act are made applicable to trust companies, so far as not inconsistent with this act.

(Council substitute for Council bill No. 10, February 28, 1903 ; Laws of 1903, chapters 54 and 115.)

New York.

Thirteen or more persons may incorporate a trust company. An organization certificate must be filed with the Superintendent of Banks, who is charged with the duty of satisfying himself of the need of the proposed corporation and of the advisability of its incorporation. Capital required, at least $100,000 in towns or cities whose population does not exceed 25,000 ; at least $150,000 in cities of from 25,000 to 100,000 inhabitants; at least $200,000 in cities of from 100,000 to 250,000 inhabitants ; and at least $500,000 in larger cities.

Powers specified: To act as fiscal or transfer agent or registrar ; to act as agent for corporations, foreign or domestic ; to receive deposits of trust moneys, securities and other personal property from persons or corporations ; to loan money on real or personal securities; to hold real estate necessary for the transaction of business, and such as is acquired in the satisfaction or partial satisfaction of debts due to the company; to act as trustee under any mortgage or bond, "and accept and execute any other municipal or corporate trust not inconsistent with the laws of this State;" to execute trusts for married women with respect to their separate property, and to act as agent in the management of same; to act under the appointment of court as guardian, receiver or trustee of the estate of any minor, the annual income of which is not less than $100; to exercise such legal trusts in regard to the management of property, real or personal, as may be confided to it by courts, persons, corporations, municipalities or other authority; to execute trusts and powers of every description received from any source; to purchase, invest in and sell stocks, bills of exchange, bonds and mortgages and other securities ; to give its bonds or obligations for moneys or securities for moneys borrowed or received on deposit or for investment ; to act as executor, administrator, and committee of the estates of lunatics, idiots, persons of unsound mind and habitual drunkards; to do a banking business. No such corporation may make any contract or accept or execute any trust which it would not be lawful for any individual to make, accept or execute. No loan shall be made by any such corporation, directly or indirectly, to any director or officer thereof. By a law passed in April, 1904, foreign trust companies are forbidden to do a trust company business in New York. A trust company may have branches in the city in which its business is to be transacted, but not elsewhere. Courts are authorized to

appoint trust companies as administrators, guardians, trustees, etc. Before engaging in business such companies are required to deposit with the Superintendent of Banks securities equal in value to ten per centum of the paid-up capital stock, and not less in amount than $100,000 in cities of 500,000 population or more, not less than $50,000 in cities of from 100,000 to 500,000 population, not less than $30,000 in cities of from 25,000 to 100,000 population, and not less than $20,000 in smaller places. These securities must consist of public bonds or stocks of the United States, or of this State, or of any of its political subdivisions ; they must be registered in the name of the Superintendent officially, as held in trust as security for the depositors with and the creditors of such corporation. Beyond this deposit, no security shall be required of trust companies for or in respect to any trust, or when appointed executor, administrator, guardian, trustee, receiver, committee or depositary; except that courts or officers making such appointments may, upon proper application, require such security as they deem proper. Such courts or officers may make further orders regarding such trusts, and may require the corporation to render such accounts as might be required of a natural person acting in like capacity. The capital, surplus and undivided profits of such a company shall be invested in bonds and mortgages on unincumbered real property in this State to the extent of sixty per centum of the value thereof, or in the stocks or bonds of this State or of the United States, or of any county or city of this State duly authorized by law to be issued. Moneys received in trust may be invested, in the company's discretion, in the same classes of securities as the capital, or in the stocks or bonds of any State of the United States, or in such real or personal securities as it may deem proper. No such corporation shall hold stock in any private corporation to an amount in excess of ten per centum of its capital, surplus and undivided profits. On all sums of money not less than $100 which shall be collected and received by such corporation acting in trust capacities, interest must be allowed at not less than two per centum per annum. The affairs of such corporations shall be managed by a board of directors of such number, not less than thirteen nor more than thirty, as shall from time to time be prescribed in its by-laws. Not less than one-third of such board of directors, and in no case less than seven, shall constitute a quorum. Each director must own at least ten shares of stock. Directors must take oath for the faithful performance of their duties. They must be divided into three classes, so that the terms of office of one-third of the members shall expire each year, each member then being elected for a term of three years. Specially chartered trust companies are subject to the provisions of the general law so far as not inconsistent with the special laws relating to them.

Trust companies, in common with Savings banks and safe deposit companies, are required to render to the Superintendent of Banks semi-annual reports as of January 1 and July 1 respectively, such reports to contain such particulars as the Superintendent may prescribe. Summaries of such reports must be published in a local newspaper. Trust companies are subject to the supervision and inspection of the Superintendent of Banks, who must examine them at least once a year or oftener at his discretion. If unsafe conditions are revealed, he must notify the Attorney-General, and may take possession of the company until the termination of the action instituted by the Attorney-General. Special examinations by order of the

supreme court may be made on application of creditors or shareholders whose debts or shares amount to $1,000.

Such corporations are prohibited from making loans to one person, company, corporation or firm to an amount exceeding one-fifth of the paid-in capital and surplus ; but this restriction does not apply to loans or discounts secured by collateral worth at least fifteen per centum more than the amount loaned thereon, nor to the discount of bills of exchange drawn in good faith against actually existing values, or of commercial or business paper actually owned by the person negotiating the same ; the amount of such loans, including those first specified, being limited to one-half the paid capital and surplus. Such corporations may not make loans on their own stock ; nor may they purchase same, unless to prevent loss upon a debt previously contracted in good faith ; in which case the stock must be disposed of within six months. Officers, directors and employees are forbidden to discount or purchase paper at less than its face value, or to individually make loans that have been refused by the company.

Each trust company having a capital of $250,000 or upward, and having its principal place of business within a town adjoining a city, containing over 800,000 or less than 1,000,000 inhabitants, may add to its powers that of a safe deposit business and of a title insurance business. The same privilege is extended to trust companies having capital of $500,000 or upward, and located in counties containing from 300,000 to 600,000 inhabitants. The safe deposit business may be undertaken by trust companies having a capital of $200,000 or upward and situated in a county containing from 65,000 to 300,000 inhabitants, or in a county containing from 50,000 to 75,000 inhabitants. Trust companies may merge with title and credit guaranty corporations, acquiring their powers.

Each trust company is subject to an annual tax of one per centum on the amount of the capital stock, surplus and undivided profits, "for the privilege of exercising its corporate franchise or carrying on its business in such corporate or organized capacity." The personal property of trust companies, other than for the organization tax, is exempt from taxation for all purposes. For purposes of taxation such corporations must on or before August 1 of each year, render a statement to the Comptroller of their condition on June 30 preceding.

(General Laws and Revised Statutes [Heydecker], chapter 37, article 4, sections 150 to 163. Laws 1896, chaper 851 [p. 4816, Heydecker]. Laws 1900, chapter 552. Laws 1901, chapters 117, 118, 132, 535, 677. Laws 1902, chapters 172, 360. Laws 1903, chapter 160. Laws 1904, chapters 479, 492, 607.)

CLAY HERRICK.

(*To be continued.*)

THE EVIL OF EXTRAVAGANCE.—In his inaugural address before the London Bankers' Institute, President J. Spencer Phillips said: "The crying evil of the present day is the extravagance of the age; be it imperial, be it municipal, be it personal. On all sides this is increasing by a geometrical progression. Surely, it is time, and more than time, to cry 'halt.' How much are we benefited, either as a nation or as individuals, by this excessive expenditure? and always with this extravagance comes an increasing desire for less work and more holidays. Has not the time come to take stock of our position, and seriously to consider how long we can with prudence venture to go on living at the present rate?"

THE DEVELOPMENT OF DEPOSIT BANKING.

A form of currency whose importance has been often overlooked, because of its comparatively modern development and its freedom from legislative control, is the deposit and check system. For all practical purposes, where the community is willing to accept checks in payment, they serve the same purpose as bank notes. Only by degrees has the check and deposit system of receipts and payments superseded in a large measure the use of money and bank notes, but within the past generation and in Anglo-Saxon lands it has come to constitute much the most important part of the medium of exchange.

A bank deposit consists of money or titles to money entrusted to a bank by its clients. The popular impression of deposits in banks is that they are made in money. This impression is well founded to the extent that they are titles to money, but only a small percentage of deposits is made in gold and silver coin or even in legal-tender notes and bank notes. In Anglo-Saxon lands, upon the average, fully nine-tenths of the deposits made with a bank from day to day consist of instruments of credit which are titles to money, rather than of money itself. In a case where there is but one bank in a community, the deposit of such titles drawn upon the bank itself simply results in a transfer of the credit obligation of the bank from one depositor to another without changing its aggregate liabilities. Transfer checks of this sort do not differ in character from the transfer receipts of the Bank of Amsterdam, except that the bank, instead of holding against them metallic money for their full amount, holds only such an amount as its officers consider essential to meet demands. In other cases, however, the titles to money deposited with a bank by its clients are drawn upon other institutions. The bank in this case acts as the agent of the depositor in collecting from the bank upon which the check is drawn metallic money or its equivalent.

A check is a written order addressed to a banker, directing him to pay to a person designated in the check a specific sum of money, from money or titles to money which are to the credit of the maker of the check. These checks were known originally in England as "cash notes," but whatever their name, they conform to the definition of their status given by MacLeod:[1]

"These paper documents neither create nor extinguish liabilities: they merely record them on paper for the purpose of transferring them to some-one else."

Checks and Bank Notes Different Forms of the Same Thing.

The fact that the bank note was an evolution from the written check has been pointed out in dealing with the origin of bank notes. The evolution became so complete, however, at a certain stage of banking history, that the note came to be regarded as an instrument possessing an essentially different character from the check, and it has required much argument by economists to re-establish the principle that the note and check are essen-

[1] "Theory and Practice of Banking," I, p. 331.

tially different forms of the same thing—the command over metallic money. The subject seems to have been better understood by early American statesmen than by later ones. Hamilton, in his report on a National Bank soon after the organization of the Government, defined the functions of banking thus:[2]

"Every loan which a bank makes is, in its first shape, a credit given to the borrower on its books, the amount of which it stands ready to pay, either in its own notes or in gold or silver, at his option. But, in a great number of cases, no actual payment is made in either. The borrower frequently, by a check or order, transfers his credit to some other person, to whom he has a payment to make; who, in his turn, is as often content with a similar credit, because he is satisfied that he can, whenever he pleases, either convert it into cash, or pass it to some other hand, as an equivalent for it."

Gallatin also, the great Democratic successor of Hamilton, put the matter even more directly:[3]

"Any person depositing money in the bank, or having any demand whatever upon it, may at his option be paid in notes, or have the amount entered to his credit on the books of the bank. The bank notes and the deposits rest precisely on the same basis: for immediate payment on the amount of specie in the vaults; for ultimate security on the solidity of the debtors of the bank."

In support of his position, Gallatin called attention to the drafts for $5, drawn by the branches of the Bank of the United States on the bank, which circulated in his day in common with the usual $5 notes. Similar drafts, varying in amount to suit the convenience of purchasers, were daily drawn by the bank on its offices, and by those offices on each other, or on the bank. Many of those drafts passed through several hands, and circulated several months, before they were presented for payment and of them Gallatin declared that they were "of the same character, depend on the same security, and in case of failure would share the same fate with bank notes."[4]

Deposit Banking in England.

So important was the function of note issue in the infancy of banking that because the charter of the bank of England prohibited the issue of notes by a corporation of more than six persons, it was long supposed that this precluded any form of deposit banking in England. When it was discovered in 1823 that the charter of the Bank of England did not prevent public banks for the deposit of capital from being established, there was still hesitation, because of the novelty of the new view, to compete with the monopoly of the Bank of England. It was not until ten years later that an opinion was obtained from the law officers of the Crown, in favor of the right to set up joint-stock banks, and not until 1844 that they were given the full privilege of incorporation as joint-stock companies.[5] The London and Westminster Bank, which had been originally a private partnership, was the first to take advantage of this permission. Other joint-stock banks rapidly followed, and deposit banking soon became a recognized part of the English banking system.

The beginnings of deposit banking were modest in comparison with its great development in recent times. The joint-stock banks were not favored

[2] Reports of the Secretary of the Treasury, I, p. 55.

[3] "Considerations on the Currency and Banking System of the United States," Writings, III, p. 267.

[4] Ibid, III, 265.

[5] Gilbart, II, p. 153.

children of the English laws, and as late as 1857 the Governor of the Bank of England thought it a legitimate subject of warning that those of London had deposits of £30,000,000 with capital of £3,000,000 and reserves of only £2,000,000.[6] In 1839 it was estimated from the stamp returns that the whole number of bills of exchange circulated in England during the year was £528,493,842 and the amount out at any one time was £132,123,460 ($650,000,000.)[7] But with the process of time the joint-stock banks have far outstripped the Bank of England in the competition for deposits. The joint-stock banks of England and Wales had at the close of 1904 deposits amounting to £642,285,967, of which the Bank of England contributed only £59,274,759, or less than one-tenth of the whole. The amount of the note issues of all these banks was £29,364,509, of which the Bank of England had £28,868,790. Thus the deposits of the joint-stock banks were in the ratio of more than one thousand times their note issues and were more than twenty times the entire volume of bank notes in circulation in Great Britain.[8]

Progress of Deposit Banking in the United States.

In the United States the progress of deposit banking has followed similar lines. Banking business was done early in the century with capital and note issues rather than deposits, as in the case of Scotland and France. The relatively small part played by deposits in the business of the State banks before the Civil War is shown by these figures:[9]

State Banking Progress Before the Civil War.

Year.	Loans and discounts.	Capital.	Circulation.	Deposits.
1834	$203,818,030	$119,319,882	$57,572,674	$56,336,363
1844	265,179,886	199,108,142	76,721,527	85,620,383
1854	630,320,923	318,530,710	208,973,278	190,423,138
1861	653,695,548	399,632,660	186,669,782	252,239,478

Examination of these figures shows that deposits were only barely equal to circulation up to 1844, that the two together were less than banking capital, and that even up to the Civil War deposits did not much exceed circulation and did not equal the capital of the banks. Hence it followed that the loans made by banks were made chiefly from capital actually invested in bank stock rather than by the accumulated deposits of the people. How radically these conditions have changed within the past half-century is indicated in part by the following figures of the growth of the National banking system:[10]

Growth of National Banks.

Year.	Loans and discounts.	Capital.	Circulation.	Individual deposits.
1865	$166,448,718	$135,618,874	$66,769,375	$183,479,636
1875	955,862,580	495,802,481	331,193,159	682,846,607
1885	1,234,202,226	524,089,065	280,197,043	987,649,055
1895	1,991,913,123	666,271,045	169,337,071	1,695,489,346
1900	2,479,819,494	606,725,265	204,925,357	2,380,610,361
1905	3,728,166,086	776,916,147	424,345,432	3,612,499,598

[6] Vide Bagehot, "Lombard Street," Works, V, p. 164.

[7] W. J. Lawson, "The History of Banking," p. 42.

[8] Palgrave computed that in 1900 the total deposits, current accounts, and note circulation of all the banks publishing accounts in the United Kingdom was £889,600,000 ($4,335,000,000) and that the proportion of the reserve held by the Bank of England against all these liabilities was only 2.41 per cent—"Bank Rate and the Money Market," p. 104.

[9] "Monthly Summary of Commerce and Finance," Bureau of Statistics, Treasury Dept., July, 1898, 215-225.

[10] These figures are from the reports made to the Comptroller of the date nearest to January 1st of each year named.

These figures indicate in a striking manner how much more rapidly the deposit currency has grown than either the note circulation or capital stock. As recently as in 1875 the ratio of deposits was only about two-fifths larger than capital, and twice the amount of the circulation; in 1905 it was five times the capital, and nearly nine times the circulation. Put in a more striking form, loans and discounts were made in 1875 to the extent of about eighty-five per cent. from capital and circulation; in 1905 they were made only to the extent of about thirty per cent. from capital and circulation, the remaining seventy per cent. being made entirely from the funds entrusted to the banks by the public. The large proportion of bank funds which are thus derived from the deposits of individuals have materially changed the character of banking. In 1875 a large proportion of the capital could be employed in making loans, because only a minor part was required as a reserve against deposit and note obligations. In 1905, on the other hand, the capital sank substantially to the position of a guarantee fund against obligations more than five times as great, because the great mass of credit entrusted to the banks by the public was available for making loans. Even these figures do not reveal the full scope of the change in the character of banking in the United States. They relate only to the National banks, while within a generation has grown up a hierarchy of State and private banks and trust companies, which have no power to issue notes and therefore rely wholly upon capital and deposits for carrying on their business. The rapidity with which such banks have developed is indicated by the following figures: [11]

Growth of State Banks and Trust Companies.

Year.	No. banks.	Capital stock.	Individual deposits.
1882	5,063	$234,900,000	$1,718,700,000
1892	5,579	386,394,845	2,911,594,571
1902	11,621	638,169,862	6,484,440,006
1904	13,513	706,526,526	7,136,106,149

These amounts include deposits in Savings banks, which are not usually employed in making commercial loans; but even with their amount deducted, which was $3,060,178,611 in 1904, the resources of State and private banks and trust companies are in excess of those of the National banks, and indicate how largely modern banking is conducted through the system of voluntary deposits and transfers of capital by means of checks. State and private banks have sprung up in large numbers in the United States even in those sections where the function of note issue would have been of value if not hedged about by the special restrictions of the National Banking Act. Even where State laws have been based in part upon the national law, which represented the only well-known legislation on the subject, they have, in the language of Barnett, been "the product of economic needs which the National banks did not satisfy." [12] That they grew apace in the face of the great reputation of the National banks and without the power to avail themselves of individual savings by the power of note issue is convincing proof of the growing favor of the system of deposit banking.

Deposit Banking on the Continent of Europe.

On the European Continent the deposit system has in recent times obtained a firm footing, but not yet so wide an extension as in Great Britain

[11] Report of the Comptroller of the Currency, 1904, p. 48. These figures are partly estimated.

[12] "State Banking in the United States," p. 13.

and the United States. Its growth, however, has been notable within a generation. No further back than 1880 the Bank of France held discounts to the amount of 761,300,000 francs ($150,000,000), while the five large banking societies of Paris held only 532,000,000 francs ($106,000,000). In 1890 the situation had so changed that the discounts of the Bank of France were 584,400,000 francs and those of the five stock banks 907,800,000 francs. At the close of 1904 the discounts of the Bank of France stood at 765,280,000 francs, while those of the five chief commercial banks had risen to 1,800,000,000 francs. The ratio of discounts, therefore, at the Bank of France, fell from about fifty-nine per cent. of the total discounts in 1880 to about twenty-five per cent. in 1904. The manner in which the deposit banks are attracting deposits by paying a low rate of interest is indicated by the increase of current accounts, deposits and acceptances from 1,180,800,000 francs in 1880 to 2,500,000,000 francs in 1904.

Importance of the Deposit Currency.

It is the deposit currency, based upon commercial operations, which has come in recent times to be so important a part of the resources of banking as to almost justify the theory of those who would separate it from metallic money and base it purely upon the exchange of goods. Thus Lord Farrer suggests that under modern credit operations we are returning to "a state of barter in which money is merely the measure and language, not the actual medium of exchange, and in which personal rights and duties take the place of cash."[13] The discussion of the relation of such obligations to the metallic standard has been anticipated in dealing with the elements of credit. In actual banking operations the banker who loses sight of the fact that instruments of credit are obligations to deliver metallic money soon meets disaster. In the conduct of his business, however, he soons discovers the practical error of the other extreme—that his "deposits" consist entirely or chiefly of currency. He finds them consisting rather of that great variety of credit instruments so well set forth on its practical side by Fiske:[14]

> "There may be checks drawn by other depositors on this same bank, checks upon other banks which are members of the same clearing-house, checks upon banks or trust companies which are not members but make exchanges through some bank that is a member, checks or drafts upon banks, trust companies or other concerns from which direct collection will have to be made, sight drafts upon individuals or business houses in town, checks upon banks and drafts upon persons or concerns out of town. There may also be matured interest coupons, and almost any authenticated item that is payable or collectible on demand, even including a matured note payable at a bank, provided a certification has been obtained at that bank insuring its payment."

Convertibility of the Deposit Currency.

It is the expansion and contraction of these forms of currency which mark periods of business activity or business depression, but which escape legal regulation because they are the result of business transactions rather than the cause of them. Such currency under sound business conditions is convertible into metallic money, just as are the more formal kinds of currency in the form of printed notes. This obligation is recognized by law in the United States and in some other countries and has become a rule of practice in all countries where deposits have come to constitute an important pro-

[13] "Studies in Currency," 1898, p. 84.
[14] "The Modern Bank," p. 51.

portion of the means of exchange. It is the expansion and contraction of this currency which mitigates the severity of the operation of changes in the stock of legal-tender money, even though it responds in a measure to the movements of such money. This currency has come to constitute the great element of elasticity in the tool of exchange in countries where it is well established. In both Great Britain and America especially, and to a growing extent in all civilized countries, it conforms to the requirements of an elastic currency in the manner laid down by Dunbar: [15]

> "It adapts itself to the demand of the moment without visible effort and either by expansion or contraction, as the case may be; and it does this quite irrespective of legislative purpose or guidance. From the figures, indeed, the conclusion is irresistible that, if for any reason the creation of deposit currency through the agency of the National banks is hindered or limited, it will make its growth by means of State banks; and if not by these, then by a system of private banking, which no legislation can touch, until the Government shall assume the power of declaring whether A may owe B or not."

Upon banks which conduct their business chiefly with the capital of others, repayable on demand, are imposed substantially the same obligations as to the convertibility of their assets as upon banks of issue. They differ essentially from those institutions which receive deposits for fixed terms or for investment.

Different Types of Banking Institutions.

From this fundamental distinction arises the division of banking institutions into different types, and from neglect of it, as we shall hereafter see, arises one of the chief dangers of a commercial crisis. The great diversification of modern financial enterprises has caused a differentiation of banking institutions which has adapted them to the local needs of different communities. It is beyond the scope of a work dealing purely with money and substitutes for it to enter into a minute account of the various forms which modern banking activity has assumed, but it is within its scope to indicate the degree in which each of these forms is related to the fundamental requirement of commercial banking—that the assets shall be convertible without delay into metallic money.

For the purposes of this distinction banks may be divided into:

(1) Commercial banks.
(2) Exchange banks.
(3) Savings banks.
(4) Mortgage banks.
(5) Financial banks.

Only the first two classes are justified in drawing their resources chiefly from deposits repayable on demand. The practice of a commercial bank should conform essentially to the requirements of a bank of issue—that its assets should consist of commercial paper maturing at short terms or of negotiable securities of a sort having a wide market. The deposits should be constantly studied to determine whether in emergency they would prove a source of strength or weakness. Obligations of merchants to the bank constitute a sound offset to that part of the deposits which consists in credits given by the bank itself to the depositor, for when such obligations are paid deposit liability is reduced. Between this class of deposits, however,

[15] "Economic Essays," p. 178.

and those where no counter credit is given exists a distinction which in Europe is recognized by distinctive names. "Current accounts" (comptes courants) at the Continental banks are the accounts of borrowers from the bank, and both debtor and creditor current accounts figure largely in the balance sheet. When a merchant, as Courcelle-Seneuil declares, possesses capital beyond the needs of his business, when his sales are regular, and he follows up his collections vigorously, his current account habitually balances by a credit in his favor which constitutes a real deposit with the banker.[16] It is the direct deposits, which may be withdrawn by their owners in periods of impaired confidence, which it is necessary to protect adequately by money.

An exchange bank is more apt than most of the other classes to do business with its own capital; but even under such conditions it is bound by the law of self-preservation to keep its resources in readily convertible form. Dealing in exchange and in commercial credits is an incidental function of many commercial banks, but in Europe is a specialty of the foreign and colonial banks, which until recently had their headquarters almost exclusively in London. They have few direct deposits but often hold large sums to the credit of their clients whose bills of exchange they buy in Asia, Africa and Latin America. This class of business affords so little risk when properly guarded and handled by experts that the continental banks of France and Germany, which have recently been establishing branches in London, are threatening by their low rates to seriously embarrass their English competitors.[17] The German as well as the English banks usually exact the custody of the documents upon which the bills of exchange are based, but in a small minority of cases accept the engagement of a known and substantial exporter or importer.

The Savings Banks.

Savings banks are in a sense farther removed from commercial banking than almost any other class of banks, but their large accumulations of current savings and their purchases of negotiable securities give them an influence in the market for capital which cannot be ignored. Almost invariably savings deposits are repayable only upon notice, and deposits so much exceed withdrawals that no considerable reserve in legal-tender money is required. In most countries the principal subject of Savings bank investments is government bonds or mortgage on real estate. For many years the increase in the deposits of the English postal Savings banks created such a steady market for Consols, in which the deposits were invested, that the price of Consols rose to a point which afforded a net return less than the interest allotted to depositors and compelled the Government to reduce the rate of interest.[18] In France also the policy of investing the savings bank funds in public securities has acted as a powerful support to national credit, but here again, in the opinion of Hamilton, "the gain of the State has proven the loss of depositors, for it has caused a continuous rise in Government stock, and a corresponding decrease in interest."[19] In other countries investments

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[16] "Traité des Operations de Banque," p. 105.

[17] Sayous, "Les Banques de Depot," p. 303.

[18] It was estimated in 1901 that the continuance of the old rate to depositors (2½ per cent) would cost the Exchequer from 1903 to 1908 £1,864,563 ($9,090,000). Vide Raffalovich, "Le Marché Financier en 1902-03," p. 393.

[19] "Savings and Savings Institutions," p. 387.

are permitted in real estate mortgages, as in Prussia, or in a variety of securities, as in Belgium.[30]

The Savings banks, therefore, in all countries are serious competitors for capital in process of formation. Their officers are constantly in the market for securities, bidding against direct investors. How serious this competition has become appears from the fact that deposits in the Savings banks showed a net increase in the United States in 1904 of $125,000,000; in Great Britain in 1901, $25,000,000; in Russia in 1903, $115,000,000;[31] and even in Italy in 1904, $15,000,000.[32] In the chief civilized States these deposits reached an aggregate in 1903 of not less than $10,609,885,102.[33]

The Mortgage Banks.

A mortgage bank is an institution which lends money on real estate. As these banks are organized on the European Continent, they give a certain degree of transferability to interest in real estate by the conversion of the mortgage into negotiable bonds. The limit of such loans is indefinitely expansible by new sales of bonds to the public, without increase of the capital of the lending bank and without serious increase of its risks if sound principles are followed in making loans.[34] The investor enjoys the ownership of a divisible security which he can part with at will at a price comparatively stable, instead of dealing with a single mortgage for which he might find it difficult in case of need to find a purchaser. As the function of such securities is set forth by the thoughtful Mexican financier, Casasus:[35]

> "Mortgage bonds (bons hypothécaires) work a complete transformation in mortgage securities. They release them from all the troublesome formalities with which civil legislation has surrounded them, they simplify their mechanism and raise them to the dignity of the commercial law. The debts which they formerly represented, which remained stationary, so to speak, in the power of the creditor, without his being able to draw from them any new profit, acquire the advantage of available capital capable of a new series of commercial operations with large profit to the community."

The Credit Foncier, the principal mortgage bank in France, has mortgage bonds out to the amount of about $350,000,000; the Land Mortgage Bank of Austria-Hungary has debentures of nearly $40,000,000, and the Mortgage Bank of Spain has similar obligations of $17,000,000. These institutions practically bring into the security market a large part of the land values of Europe. A mortgage bank of this sort is able every few months to offer in the market a block of securities, which are eagerly subscribed for by those seeking a safe and steady investment. Against such obligations the issuing company is compelled to hold no reserve in currency, but only to be prepared to redeem its issues at the fixed dates of maturity.

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[30] Vide "Les Caisses d'Epargne à l'Etranger" in "Economiste Français" (December 27, 1902), p. 879.

[31] "Economiste Européen" (Jan. 6, 1905) XXVII, p. 24.

[32] "Economiste Européen" (Jan. 13, 1905) XXVII, p. 60.

[33] Report of the Comptroller of the Currency, 1904, p. 36.

[34] There is no obvious reason why an honestly conducted mortgage bank should fail under the settled condition of land values in Europe; yet there was something of a crisis in mortgage loans in Germany in 1901, and Sayous declares that "the 42,000,000,000 marks ($9,900,000,000) of mortgages with which German real estate was burdened in 1900 represented a dead weight, which the money market had difficulty in carrying and which was constantly increasing."—"La Crise Allemande en 1900-02," p. 20.

[35] "Les Institutions de Crédit," p. 72.

Other Classes of Financial Institutions.

Between commercial banks, with their great mass of demand liabilities, and Savings banks and mortgage banks, which are practically free from such liabilities, comes a large class of institutions, both private and incorporated, which employ capital in still other ways. Many of these institutions rely chiefly upon their own capital and employ only incidentally amounts which may be lodged with them as deposits. Even where such deposits are nominally payable on demand, they are often made in large amounts by capitalists who are willing that they shall be employed in financing new enterprises and in floating securities and do not contemplate drawing upon them for current expenditures. Of such a character are many of the deposits of the American trust companies. These institutions have become an important factor, not only in the custody of trust funds, for which they were originally organized, but in distributing securities and reorganizing industrial enterprises. Those of them which have a large line of deposits payable on demand usually keep adequate deposits to their credit in a commercial bank, but as they are not the guardians of the paper currency nor the legal reserve agents of country banks (as are the National banks of reserve cities) they do not need to keep the same proportions of currency as the National banks.[26]

Greater prudence in management is required where the business of commercial banking and the financing of untried enterprises are combined in a single institution. In this respect the principal German banks were subject to some criticism after the crisis of 1901. Frobert declares: [27]

> "That which made the crisis serious, and certainly more profound than it would have been in other countries, was the close relation of the large financial establishments with industrial and commercial enterprises. These relations are shown by the considerable number of corporations in which the banks are represented in some manner, but more especially in the board of direction. Thus the Deutsche Bank was represented in 100 companies; the Dresdner Bank in about sixty; the Berliner Handelsgesellschaft in fifty or sixty."

Growth of Banking Resources.

With the growth in savings and in private capital in recent years has gone the growth in banking resources. When Bagehot (about 1876) compared the plethora of capital in his time with its scarcity in the time of Elizabeth, the combined banking credits of the four chief money centres of the world—London, Paris, Berlin, and New York—were about £200,000,000 ($965,000,000). As late as 1890 the banking power of the world, as estimated by Mulhall, was $15,985,000,000, of which the United States was credited with $5,150,000,000, or less than one-third. According to more recent compilations, banking power increased within a dozen years after 1890 by $8,676,000,000 in the United States alone, or 168.47 per cent., and in other countries by $8,946,000,000 or 82.57 per cent., and the combined banking power of the world rose to $33,600,000,000—an increase in fourteen years of 110.25 per cent.[28]

Included in this aggregate are the resources of the Savings banks and of mortgage and finance banks. While these are not so closely related to the stock of floating capital and of currency as the strictly commercial banks, yet the entire mass of credits thus represented by banking power plays a part in the mechanism of exchange, whose wise management is the important trust of the modern leaders of finance.

Charles A. Conant.

[26] The trust companies of New York City had deposits at the beginning of 1904 to the amount of about $570,000,000 and reserves (mostly on deposit in National banks) to the amount of $124,854,495.—Vide the author's "Wall Street and the Country," p. 229.

[27] "Banques de Depot," p. 103.

[28] Report of the Comptroller of the Currency, 1904, p. 38.

A PRACTICAL TREATISE ON BANKING AND COMMERCE.

FURTHER PRINCIPLES OF BANKING, AND DEVELOPMENT OF PRIVATE BANKING IN ENGLAND.

A banker who has opened an office for business will not have proceeded far before perceiving that his occupation is a far more exacting one than that of a capitalist or money-lender. The obligation to pay variable sums of money on demand involves another obligation, viz., that he, or some one acting for him, shall always be on the spot to answer the demand made. If the banker, before entering upon the business of banking, properly so called, has been in the habit of *lending money*, and has become known as a money-lender, he will have had applications in abundance, but he would be under no obligation to be on the spot to answer them. He could intermit his business to pursue other engagements, yet no one would have ground of complaint against him. Herein is precisely the point of difference between a money-lender and a banker—a difference that is frequently not well understood, and the failure to understand which has led to confusion both in thinking and in writing.

It is of the essence of a banker's business that he shall be in a position, at all times, to pay money on demand to those who have the right to demand it. This necessity is the reason why a banker finds it necessary to have what is universally known as a *counter;* an elevated table, in fact, of proper height for convenience of counting. If we pursue the idea we shall arrive at the genesis of the word *bank* in English, or *banco* in Italian, as applied to money matters.*

But there is a further idea connected with this word. The word in common usage is invariably connected with the idea of *protection*—protection, for example, against floods, as are the levees of the Mississippi, or against the tides, as in Holland and Nova Scotia. And the idea of protection is strictly applicable to a banker's counting table or counter, so made, *ex necessita*, as to protect the banker himself. For the purpose of mere counting, a table in the middle of a room would answer. But a banker must have a store of money beside him, and finding it necessary to protect that store, needs to arrange his counting table so he can stand behind it, and do business in security. Indeed, it is customary on this side of the Atlantic, as every customer of a bank knows, to protect the counter itself by screens.

* The word bank in its original meaning, as is well known, indicates nothing but a raised platform, generally of earth, behind or before which persons can stand. The word thus came to be applied to the elevated table, or platform, behind which the banker, or his substitute, stood to receive or pay money. This elevated table is the real "bank," and the person who stands behind it is a banker or his representative.

In conducting the business of banking, it is necessary to fix *certain hours* when demands for money can legally be made. As to these hours, a private banker can fix them for himself; in which case his customers, or the public, being duly notified, will be debarred from making legal demands at any other time. This is part of his contract with them. But usually, as the business of banking is developed, the hours of business become settled by custom, to which all conform for the sake of convenience. If the bank is a corporation its hours of business are usually stated in its by-laws, and advertised, especially in country districts, where persons have to travel far at times to reach the banker at all. The only way in which, as a rule, the law intervenes, is to declare what days shall be considered as *holidays* on which no demand can be made at all.

The necessity of being always present to answer demands soon imposes on the banker a serious question, viz., to whom can he delegate the power to answer demands in his absence? For absent, at times, he must be. Even if he can trust a clerk to answer the demands of depositors from hour to hour, the safe custody of his stock of money or securities is a matter of the first consequence, demanding the attention of more than one person. But even the function of lending money cannot be intermitted by a banker, as it can by a mere money-lender. With his open door and open counter, he must be prepared either in person or by deputy to answer the demands of borrowers as well as of depositors. The commercial customers of a bank have obligations of their own to meet day by day, and in these days depend upon arrangements with their bankers to enable them to meet these requirements. It is therefore necessary for a banker to have some person in his office whom he can trust to exercise this function of lending money in his absence. But what position is such a person to occupy?

This question, in former years, was repeatedly asked by the bankers of England, and it was generally and finally answered in the same way. When such a person was found, and he was generally some clerk or officer of their own, whose qualities of shrewdness and sound judgment had been observed in course of business, he was at first entrusted with power of attorney and placed in the position of managing clerk.

But it would soon occur to a shrewd banker, that such an officer might build up an interest and connection of his own, which interest, so long as there was no closer connection between them than employer and employed, might in time become something distinct from his own. It might, in fact, be used to his disadvantage and loss. This would naturally lead to the consideration whether it was not desirable to bind such a capable officer to himself by taking him into PARTNERSHIP. By this means all thoughts of rivalry, or separate interest, would be banished, and such a close identity be established that the banker and his confidential officer would no longer be two persons, but, for all banking purposes, only one.

Through this process of what may be called banking evolution, nearly all the great banking firms of England have passed. The clever and shrewd accountant has been promoted to the management of the office, taken into partnership, accumulated wealth, and has finally become the head and principal of the concern which he once served. And his name, once utterly unknown, is now in a prominent place in the firm's title, and figures in banking and commercial directories so prominently as to be known all over England.

It is thus, probably, that the banking firms of England came to have such

long titles as many of them had until modern developments set in. Thus, for example, it was with Barclay, Bevan, Tritton, Trells & Co., Glyn Mills, Halifax & Co., Williams, Deacon, Labouchere & Co., Smith, Payne & Smiths, and other firms of like character. And so great a weight did the more prominent of these names carry, that they have been generally retained in the corporate name of the joint stock company into which they have been merged.†

But in the serious step of taking in a partner, either a merchant or a banker will have regard to many circumstances. Perfect honesty and reliability are the primary considerations; after that come business knowledge, prudence and industry, and a due measure of caution and enterprise. Along with all these a merchant who consults his own comfort will take care to have a man of reasonably good temper and common sense about him. A quarrelsome, cross-grained man, one who cannot give and take, a man so conceited that he cannot fancy any other person knows anything, no matter how clever he may be, should be left to plow his own furrow, but never entrusted with a partnership.

In a business like banking, where the interests of so many persons depend on a successful *continuance* of the business, it is of the first importance to provide for the future. The business of a bank carried on by private individuals might, in the absence of such arrangements, be brought to an entire stop by the death or withdrawal of a single partner. Such a stoppage, in certain cases, might throw the business of a whole district into confusion. These contingencies in former days were necessarily provided for by arrangements between the partners themselves, and the best legal skill in England was drawn upon to prepare deeds that would ensure a continuance of business. That this has been successfully done is shown by the record of banking firms that have had an unbroken career for upwards of two centuries, and are in vigorous life at this day. In such arrangements none are so much interested as junior partners, for they, obviously, have most to fear from an interruption of the business.

Private banking on this continent has never occupied the high position it attained in England. The reason for the extraordinary development of banking by private firms in England was the jealously-guarded monopoly of the Bank of England. In the United States, however, and in Canada, as in Scotland, the development of banking by joint-stock companies has always been unrestricted by monopoly; and even the very appearance of it, in the case of the United States Bank, was ruthlessly stamped out by a Democratic President.

But though the banking business of towns and cities on this continent has been almost wholly conducted by joint-stock companies, a considerable sphere has existed (at any rate, until late years) for the operations of private banking in the thriving villages and smaller towns of the country.

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† Most of this has as close an application to commercial partnerships as to partnership in banking. It is well known that many of the men who are now heads of great commercial firms commenced their career in the "house" as clerks. While doing their own special work faithfully, they displayed ability for something beyond it—ability not only for keeping books, but for suggesting improvements; capacity not only as salesmen, but shrewdness in discriminating between customers; ability not only to handle goods, but capacity for understanding what goods would suit the customers. They displayed, in fact, that quality that is so difficult to define, but so well understood, viz., business ability.

The humorous story of David Harum, which, as is well known, was written by a bank officer, probably gives a fair picture of the kind of persons that many of them were, and the kind of business they did, in the village communities of the United States.

Private banking at one time had obtained a considerable development in Canada, and that for a good reason in the circumstances of the country, largely agricultural as the Provinces of Canada are, the towns and cities generally at considerable distances from each other, and between them have grown up villages of fair population, in which are to be found some of the features of town life. Such villages did not at one time afford sufficient business to make it profitable for joint-stock banks to be established in them, for their methods and machinery are costly, and it is contrary to law for them to undertake any other business. But where a joint-stock bank would scarcely pay expenses, a private banker might make a respectable living; for in addition to banking he could undertake, for example, to effect insurances, both fire and life. He could assist in drawing up the simpler kinds of legal instruments, and do the same business as is done by professional accountants. This state of thing, however, is gradually passing away. By the development of the country, many former villages are becoming towns, and are affording sufficient business to enable one or more branches of joint-stock banks to be established in them. Even in this case, however, a private banking firm may maintain its position, if its partners are known to have undoubted means, and have so conducted the business as to gain and keep the confidence of the community.

Before entering on the larger class of questions that appertain to joint-stock banking, it may be well to note briefly the considerations that should govern a private banker in the conduct of his business:

(1) He should certainly not carry on any *mercantile* business, for in so doing he might be in competition with his own customers.

(2) He should undoubtedly be possessed of a sufficient amount of CAPITAL.

Every private banker, in the nature of things, should have a fund out of which he can meet the losses which are incidental to the lending of money. For if he cannot meet them out of his capital, he must draw upon the money of his depositors for the purpose, to their loss.

It must be remembered that the customers of a private banker are almost invariably persons of small means, who have deposited money with him which they cannot afford to lose. A village community, as a rule, is not distressed or embarrassed by the failure of one of its storekeepers; but it may be very seriously distressed, and the distress will probably extend to the farming community round about, if a private banker cannot repay the sums deposited with him.

There is, however, this to be said, that a private banker can take securities for his loans that are prohibited to a chartered bank and so keep himself safe.

(3) A private banker must beware of getting his money "locked up," and will need to calculate carefully the length of time which borrowers require so as to be sure of having sufficient money in his office, or at command, to meet daily demands. And in taking fixed deposits, the notice should be sufficiently long to enable him to make arrangements to meet a large demand without embarrassment. He will, of course, have it understood in taking

deposits of more than an average amount that the notice will be required, as a matter of business.

(4) To insure all this, he must keep sufficient reserves.

There are private bankers in Canada who have continuously fulfilled these conditions, and maintained a prosperous business.

On the other hand, there have been a certain number of failures amongst this class, which failures have been almost invariably traceable to want of sufficient capital to begin with, coupled with a disposition to take risks which a chartered bank would avoid.

Joint-Stock Banking in General.

The early bankers who co-operated in the movements of commerce, in Europe, apart from the great institutions which were avowedly created to assist the government, were largely, as has been seen, private individuals or firms. But since the extraordinary opening up of countries in modern times and the vast development of commerce in consequence, the tendency has increasingly been for banking to be carried on by incorporated companies.

Banking, therefore, in all its important spheres, is thus carried on; and it has been evident that the principal motive for giving *powers* to banks in a coporate form is that they might efficiently co-operate in the promotion of COMMERCE.

A joint-stock bank with its headquarters in China and its agencies in England, the United States, and Japan, takes an influential part in the movements of the Eastern trade of those countries. Similarly, an Indian bank having its headquarters in London covers the whole of our Indian Empire with its operations and takes part in the movements, both outward and inward, of the commerce of Australia and New Zealand. These are simple facts.

The principal banking corporation of Canada covers the whole Dominion from the Atlantic to the Pacific with its branches, and there is scarcely an operation of manufacture or commerce therein which that institution does not assist in developing. But the commerce of Canada has an intimate connection with England and the United States. This bank therefore has offices in London, New York and Chicago, and assists in carrying on the larger operations of trade in all these cities.

The same may be said of other Canadian banks whose operations cover an immense extent of territory in the United States as well as in Canada, from New Orleans to the Yukon, and enable them to co-operate in the movements of commerce from its smallest beginnings in the operations of a country trader, to those vast developments by which the productions of whole countries are massed for shipment in great ports and sent across the ocean to the remotest parts of the world. It is evident, however, that banks covering so wide a field must of necessity have a corporate form. No private firm, however wealthy, could possibly carry on business in so many diversified forms, in such diverse conditions, and covering such vast spheres of operation as are covered by some modern banks. Incorporation therefore was a necessity.

It has been already pointed out that the *continuity* of a banking firm is a most essential feature of the business. So many interests depend upon it, that all modern countries have sought by legislation to provide that, so far as possible, they shall not be subject to the changes of time and

chance. In Scotland the greater part of the business of banking has been carried on for two hundred years by corporations organized directly or indirectly by acts of Parliament. And banking would doubtless have had the same development in England, but for the fact that up to a certain period, the Bank of England was by long tradition extremely jealous of banking being carried on by corporations. That great corporation, while willing to tolerate what it could not prevent, viz., the formation of private banking partnerships, would never tolerate the formation of banking corporations created by act of Parliament.

The idea of the Bank of England was that all other banks in England should be tributaries to itself, revolving round it as lesser lights revolve around the sun. They should keep an account with it, deposit with it all their spare funds, keep their cash reserves in its hands, and in case of need rely upon it for assistance by rediscounting or by secured advances.

The Bank of England was thus to be the *banker's bank;* and any "coming into touch" on its part with the commerce and trade of the country was to be through the medium of other bankers. There was no express law to this effect, but the unwritten custom gradually grew up, and so potent was its force that in time it became fixed and universal. Even after the force of public opinion became potent enough (as it did after the crash amongst the private banking interest in 1825) to break down the opposition of the Bank to the establishment of banking corporations, the force of this tradition prevailed. To this day the Bank of England is largely the banker's bank. All the banks in the country keep an account with some bank in London, or with the Bank of England direct, and all London banks keep an account with the Bank of England, and commit to its keeping their reserves of cash. Such great banks as the National Provincial Bank of England, with its 200 branches and 50,000,000 sterling of deposits; or the London and County, with its deposits of 44,000,000 sterling, not to mention other great corporations in London, Manchester, Liverpool and other centres, besides every bank in Scotland and Ireland, all acknowledge the supremacy of the great central institution by keeping accounts with it, and lodging with it their spare funds.

It might be thought that when power was given by Parliament to establish banking corporations, the Legislature would endeavor to have them modelled upon the pattern of the Bank of England. That great corporation had demonstrated the wisdom of its constitution by a remarkable course of what was, on the whole, good management. During all the vicissitudes of English history from the Revolution of 1688 to the time then present, it had maintained its position, and rendered inestimable service to the State. But the Bank of England was not taken as a model; and that for good reasons. The Bank had one distinguishing power which marked it off from all other banking concerns in the kingdom. It had the power of issuing notes which were created LEGAL TENDER by law.

There was at that time nothing to prevent private bankers from issuing notes to any extent they pleased. They were not empowered to do it by law; neither did the law prevent them, the only condition imposed by law was that no note-issuing bank should carry on business within sixty miles of London. But none of their notes were legal tender, consequently their circulation was almost wholly confined to the district in which they were issued. But the notes of the Bank of England being legal tender, circulated, and were in-

tended to circulate, all over England, and were a legal tender everywhere except at the Bank itself.‡ But they were never legal tender in Scotland.

There was another reason why the charter of the Bank of England could not be followed in framing laws for other joint-stock banks. It was a part of its original constitution, and that feature of it has subsisted ever since, that the whole of its capital should be loaned to the Government. It was founded to assist the Government in the difficult days of the Revolution of 1688, and it has retained this essential feature to this day. Although its capital has been increased more than tenfold since its foundation, there has never been a time, down to the present hour, when the whole of it failed to be loaned to the Government of the day. And further, it has always been understood that the Government has had the first claim to any resources that the Bank might possess. This has never been embodied in legislation, but it is one of those traditions that have been so long in operation as to have acquired the force of law.§

The charter of the Bank of England, which charter is simply an act of Parliament embodying its constitution, has therefore never been adopted as a model for other banks in England. In fact, the joint-stock banks of England have never been governed by the provisions of a general act as have tne banks of Canada and the United States. Apart from the necessity of making a declaration as to the amount of their proposed capital, the names of their original directors and stockholders and most particularly the name of the officer in whose name the corporation can sue and be sued, they are at liberty to carry on their business in any way that stockholders and directors may deem advisable. The one important restriction to which they are subject is in the amount of their *circulation.*

Since the passing of the celebrated Banking Act of Sir Robert Peel in 1844, every bank in England, whether private or joint-stock, has been obliged to restrict its issue within the amount of its average issue for the three years previous to 1844. This amount has been registered, and appears in every published statement of the note issues of English banks. The banks of Scotland made a strenuous resistance to the restriction being applied to them; and succeeded so far as this, that they were allowed to exceed this

‡ It must not be supposed, however, that the Government of England was responsible for the notes. It is a common mistake to suppose that it was. The Government of England never issued circulating notes as the Government of Canada and the Government of the United States have done. The Government of England, though it did interfere occasionally in times of pressure to assist the Bank, was careful to guard itself from being responsible for the notes. All that it ever did was to relax some one or other of the restrictions under which notes were issued. But no noteholder or other creditor of the Bank was ever allowed to imagine that he could go to the Treasury and make a legal demand there.

§ The same principle of the whole of the capital of the bank being lent to the Government lies at the foundation of the National banking system of the United States. This system, like that of the Bank of England, took its rise from the necessities of the Government. Its founder had primarily in view not the establishment of sound banks, or of a secure circulation, but the obtaining of money to carry on the war. And it fully answered its purpose. Almost the whole banking capital of the country was loaned to the Government in the shape of the holding of Government securities. And not only was the operation in the early days of the war highly profitable to the banks, but a currency was secured whose safety has never been questioned. But in the change of times and circumstances very grave defects have been developed in this system which will be noticed later on.

limit on condition that they should hold gold for the excess—an academic rule, devised by legislators of little banking experience. But the liberty they obtained to pass beyond the average of circulation of half a century ago has proved to be most profitable to the banks and advantageous to the country.

The organization of banks in the United States has passed through various stages, and is complicated by the fact that it has been dealt with by both State and Federal legislation. To attempt even a brief summary of the steps by which the banking laws of the United States have reached their present development would be beyond the scope of this work. Suffice to say that after an attempt made many years ago to establish a Bank of the United States on somewhat similar principles to that of the Bank of England, which failed for political reasons, numerous charters were granted by the separate States. Many of these, especially in the Eastern cities, were well considered, and framed with much financial wisdom. But it was far otherwise in some of the States of the West. In these newer communities, many charters were granted by their several States in a manner that set common sense at defiance. Numbers of banks were established with powers to issue notes, under the foolish idea that by this means money could be made plentiful, and the development and prosperity of the district insured. No proper provisions were made for the redemption of these notes; it thus came about that masses of currency were set afloat which speedily went to a discount; whilst much of it ultimately became almost as valueless as the Continental currency of the Revolution. This "wild-cat" currency (as it was named) was a source of untold trouble to merchants and travellers, from the fact that the notes of nearly every Western bank had a different value, which value could only be ascertained from publications issued for the purpose. These bank note reporters were a necessary part of the furniture of every business office, and were even necessary to householders, lawyers and ministers; for none of them could tell what was the real value of the bank bills that were circulated, without consulting one of these records. But a step was at length taken that put a final stop to all such bank issues. A great exigency had arisen under which the interests of the separate States had to give way. It was during the first years of the great Civil War that Mr. Chase, the very able Secretary of the Treasury, conceived the idea of establishing, not one great bank of issue like the Bank of England, but *numbers* of banks whose whole capital should be lent to the Government; and who should have the right of issuing notes for the amount of their loan which would be held as security therefor (less a percentage reserved). These notes, then, would be indubitably safe, and could be received without question, from one extremity of the country to the other. But they were never made legal tender. The system was no sooner launched than it proved successful. It appealed to patriotic feeling. Large numbers of banks, formerly organized under State laws, adopted the National system. And under it an immense number of new banks were organized. The old issues of State banks, under the operation of this system and disabilities imposed by it, speedily disappeared, and the notes of the National banks became universally prevalent.

Along with all this, a system of Government issues was devised which were made legal tender. But as they were not payable in gold, which continued at a premium all through the war, they commanded no more favor than the notes of the National banks. For these were exchangeable for Government notes at any time, besides which, they were, if anything, safer. The

notes of the Government rested on the credit of the Government alone, while those of the banks were not only secured by Government bonds, but were a charge upon all the assets of the several banks.

It is not necessary to enter further on the subject of the Government issues. Our concern is with banking, and with the laws of the United States on the subject.

It must not be imagined that when the National banking system began to prevail so extensively it drove the old State banks out of existence. By no means. The State banks could, under their respective laws, carry on all the operations of banking except the issue of notes. Now, for banks in large cities, the power to issue their own currency, restricted as it was to a lesser amount than their paid-up capital, and accompanied by the obligation to hold Government bonds, was of less and less value as the bonds yielded a lessening rate of interest, until finally it became of scarcely any value at all. It was, and it is, of some value to banks in smaller centres. But banks in the large cities, and especially in New York, could dispense with it without inconvenience, and work under State charters, on their own credit alone.

George Hague.

Insolvent National Banks.—It has been an assumption among some financial writers that the banks of the supposedly more conservative Eastern States were not only somewhat less liable to failure than those located in other sections of the country, but that they were as a rule managed so that in case of failure they would pay a larger rate of dividends to creditors than banks in the West and South. When schemes for insuring bank deposits have been presented, based on a tax upon deposits, it has been pointed out that objection might be made by the Eastern banks to contributing to such a not wish to be called on to protect depositors in sections of the country where bank management was not so conservative.

According to the last annual report of the Comptroller of the Currency the creditors of nineteen failed National banks in the New England States received 93.26 per cent. on their claims; the sixty-three insolvent banks in the Eastern States paid 75.93 per cent.; sixty-three in the Southern States 68.15 per cent.; seventy-six in the Middle States (Middle West) 84.10; eighty-nine in the Western States 69.17 per cent. and thirty-five in the Pacific States and Territories 70.05 per cent.

During the existence of the National banking system conditions in the South, and in the Western States also to some extent, have been for considerable periods less favorable than could have been desired. Next to the high record of New England is the good showing made by the Middle West. This section of the country includes several of the richest agricultural States, and judged by the statistics quoted, conservative banking has made great progress there.

Taking the country all over creditors of insolvent National banks have received 78.11 per cent. of their claims, which is far from being unsatisfactory considering the vast benefits the banks have been to the business interests of the country.

American Money Sent to Sweden.—During the year 1903, 9,717,632 crowns ($2,604,325.38) were sent, in postal orders, from the United States to Sweden, and 1,601,110 crowns ($429,097.48) from Sweden to the United States, leaving a balance of $2,175,227.90 in favor of Sweden. Since the postal money-order system between the United States and Sweden has been in existence (April 1, 1885) there has been sent from the United States to Sweden 70,913,702 crowns ($19,004,872) more than from Sweden to the United States.—*Robert S. S. Bergh, Consul, Gothenburg, Sweden.*

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

OVERDRAFTS—LIABILITY OF OFFICERS THEREFOR.

Court of Appeals of Kentucky, December 15, 1904.

WESTERN BANK OF LOUISVILLE *vs.* COLDEWEY'S EXECUTRIX.

Where overdrafts are allowed by a bank, whether by the direct action of its board of directors or by its Cashier or President under the authority delegated to them by the Board of Directors, the propriety of allowing particular overdrafts is addressed to the business judgment and discretion of the officers having the matter in charge.

If in such matter they act prudently and honestly, they will not be held responsible for losses that occur, but if they allow the funds of the bank to be so appropriated by a customer or customers, who are known to be insolvent, or whose assets or business would not justify a prudent person similarly situated to extend them such credit, they will be liable to the bank therefor.

The rules of a bank required that all applications for loans should be brought before all the directors or advisory committee for approval, but the President of the bank allowed his son to overdraw his account without bringing the matter before the directors or advisory committee; Held, that the President was liable for the loss thereby sustained by the bank.

Where several officers of a bank wrongfully allowed overdrafts, the bank may maintain an action against all or any.

This was an action by the Western Bank of Louisville, Ky., against the estate of its late President, Anton F. Coldewey, to recover damages for about $35,000, sustained through the conduct of the President by personally permitting his son William G. Coldewey to overdraw his account with the bank without the knowledge and consent of the board of directors, an advisory committee of which board was daily on hand to pass on loans applied for, and in concealing such overdrafts from the board and its members. It was charged that the conduct of Anton F. Coldewey complained of was the result of negligence on his part, wherein he neglected to discharge his duties to the bank, from which the damage stated had resulted; and it was also charged that his conduct was fraudulent as to the bank.

O'REAR, *J.*: It appears that Anton F. Coldewey had been the President of the bank since its organization, some 40 years ago, until his death, in April, 1900. The capital stock of the bank was, for many years before the death of Anton F. Coldewey, $250,000, and the surplus something over $50,000. The bank had a board of directors who met monthly as a body to consider the affairs of the institution. The board was an active one in the management of the business affairs of the bank, so far as they were brought to its attention. The by-laws provided for an advisory committee, and the custom prevailed from the beginning to the death of President Coldewey to have an advisory committee from this board; the President being ex officio one of its members. The other two were taken in rotation, serving for one week out of each month; there being eight other directors beside the President. This advisory committee was required to meet, and did meet, when the bank was open for business and when there was business necessitating it, every morning at 11 o'clock in the banking

house of appellant. Their duties included their examining and passing upon all applications made to the bank for loans and for discount of notes and other paper to the bank. They kept what were called "application books," on which they supposed, and on which it was presumed, that every note offered to the bank for discount, and in which all applications to borrow its money were entered for the inspection and approval of the advisory committee.

In 1898 William G. Coldewey, who was a son of the President, Anton F. Coldewey, and who was engaged in the wholesale liquor traffic at Louisville, bought out an establishment of that nature which had been conducted by his uncle, August Coldewey, lately deceased. It was bought on credit entirely, for the consideration of about $10,000. He continued the business bought from his uncle under the name of August Coldewey & Co. Upon buying this business he opened an account with appellant bank by borrowing from it $2,000, evidenced by his personal note for that amount, without collateral or other security. The proceeds of the note were placed to his credit, against which he checked. This note was not put on the application book, nor was it laid before the advisory committee or board of directors. With this start William G. Coldewey personally, and in the name of his firm August Coldewey & Co., has drawn checks at his own discretion against appellant bank, without any previous arrangement with the bank or its directors that he might do so, and although he had no funds there against which to draw the checks.

The proof is conclusive that, when these checks were presented to the bank to the individual bookkeepers through the clearing house, these bookkeepers carried them to the President, Anton F. Coldewey, who kept an office in the bank, and was there almost daily in the management of its affairs, and asked him whether the bank should pay the checks, notifying him at the same time that the accounts were overdrawn at times as high as $10,000 or more. The invariable response was a direction to the clerks to pay the checks, which was done. On some occasions, when the President was absent, the clerk would report the checks to the Cashier, who directed them to be paid. By this proceeding something like $35,000 was drawn out of the bank in excess of what was put in by way of deposit and notes discounted by William G. Coldewey, in his own name and the name of the business concern he was conducting under the style of August Coldewey & Co. That this fact was known to the President and consented to by him, and in fact directed by him, the record leaves little or no room for doubt.

During all this time William G. Coldewey was indebted and involved apparently as much or more than he owned, and after the first few months from the beginning of this business was insolvent. Shortly after his father's death he made a deed of assignment for the benefit of all of his creditors. His estate, including that inherited from his father, would not pay much upon his indebtedness.

Anton F. Coldewey received a salary of $2,000 per year from the bank as its President. He was the active head of the institution, participating personally in the daily management of its business affairs. It was he who laid before the advisory committee the paper that was to be passed upon by them. Notwithstanding the facts above enumerated, he did not tell them at any time that his son was being permitted to overdraw his account so extensively, or at all; nor did he bring to the attention of the committee a number of notes given by his son to the bank without security, which were credited upon his overdrawn account, reducing it apparently to that extent. The directors testified that they did not know and had never heard of William G. Coldewey having overdrawn his account to the extent that he did do it, nor had they heard that he had overdrawn it at all until after the death of Anton F. Coldewey.

That certain of the directors, including the President, overdrew their accounts at times, and that other persons were allowed to overdraw their accounts at times, is not material here. The practice in a bank of allowing its customers to overdraw their accounts without prearranged security

is a matter at least to be determined by the governing body of the bank, its board of directors, or if the board sees proper to delegate that matter, and does delegate it to its President or Cashier, then by those officers. (Pryse vs. Farmers' Bank, 17 Ky. Law Rep. 1056, 23 S. W. 532; First National Bank vs. Reese, 25 Ry. Law Rep. 778, 76 S. W. 384.)

But if the practice as a business course is allowed by the bank at all, whether by direct action of its board of directors, or whether by its Cashier or President under the authority delegated to them by the board of directors, the propriety of allowing particular overdrafts is one that addresses itself to the business judgment and discretion of the officers having that matter in charge. If they act prudently and honestly, they will not be held responsible for losses that occur from it. On the other hand, if they allow the funds of the bank to be so appropriated by a customer or customers who are known to be insolvent, or whose assets or business would not justify a prudent person similarly situated to extend them such credit, they will be liable to the bank as for a neglect of their duty, where loss results from it.

We might stop this case here on the facts; for, even if this overdrawing of accounts by a customer of appellant bank was a practice expressly allowed by authority of its board of directors, and was left by them as a matter of business discretion to the President and Cashier, in this case the facts shown that the line of credit extended to William G. Coldewey was far beyond what his business and property justified. It was a reckless employment of the bank's funds, more than negligent, for which both the President and Cashier would be liable to the bank as for a neglect of their duties and a breach of their trust.

To go further, as the case has been prepared and presented on this line, we find that the power was not delegated by the board of directors, or by the advisory committee, to the President and Cashier to loan this bank's funds otherwise than upon the advice and consent of the advisory committee, or of the board of directors. The loans that were made, for such is the effect of the overdrafts of William G. Coldewey, were not by the consent of, nor were they known to, the directors, nor to the advisory committee. It appears, rather, that they were concealed from them. This was a direct breach of a plain duty owing by these officials, the President and Cashier, to the bank and its stockholders and creditors, for which they should be and are liable to the bank; damage to it having resulted therefrom. That the bank has not seen proper to proceed against the Cashier by action does not at all lessen the liability of the President for his breach of duty. We find, however, that several thousand dollars of these overdrafts occurred after March 13, 1900, the last time Anton F. Coldewey appears to have been at the bank, acting as its President. After that he was confined to his home by sickness, from which he died. For the overdrafts created after March 13, 1900, he is not liable, for he did not authorize them; nor, so far as the record shows, did he know that they were being created, nor was it within his power at that time to have prevented it. For allowing these it appears that the Cashier alone is responsible.

Judgment reversed.

ASSESSMENT ON NATIONAL BANK STOCK—LIABILITY OF EXECUTOR.

Supreme Court of Illinois, December 22, 1904.

MORTIMER, *et al. vs* POTTER.

An executor who distributes an estate after he has knowledge of an assessment thereon for the liability of the deceased as a stockholder in a failed National bank is liable for the amount of the assessment.

This was a bill in equity to collect an assessment upon ten shares of the capital stock of the National Bank of Illinois owned by Charles Kavanagh, deceased.

It appeared from the stipulation of the parties that on and prior to April 1, 1873, Charles Kavanagh owned 10 shares of the capital stock of

the National Bank of Illinois, of the par value of $100 each. He died on that date, leaving a will, afterward probated, and his estate was administered upon and settled in due course of administration about two years after his death.

WILKIN, *J.* (omitting part of the opinion): The appellant Mortimer, after he knew that the assessment had been ordered, divided the remaining estate in his hands among appellants, as above stated. Section 5,151 of the federal statute [U. S. Comp. St. 1901, p. 3,465] under which the liability here sued for is established is in the following language:

"The shareholders of every National bank shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts and acknowledgments of such association to the extent of the amount of their stock therein at the par value thereof, in addition to the amount invested in such shares."

Section 5,152 of the same statute [U. S. Comp St. 1901, p. 3,465] is as follows:

"Persons holding stock as executors, administrators, guardians or trustees shall not be personally subject to any liabilities as stockholders, but the estates and funds in their hands shall be liable in like manner and to the same extent as the testator, intestate, ward or person interested in such trust funds would be if living and competent to act and hold the stock in his own name."

Under these sections the executors or trustees were liable for this assessment the same as Kavanagh would have been if living, and in view of the fact that Mortimer had distributed the estate leaving the claim unpaid, and each devisee had received more than the amount of the entire assessment, they are each liable therefor in equity.

Judgment affirmed.

DEPOSITS—USE OF BY OFFICER OF CORPORATION FOR INDIVIDUAL PURPOSES—PASS BOOK—EXAMINATION—ESTOPPEL.

United States Circuit Court, District of Rhode Island, November 10, 1904.

MANHATTAN WEB CO. *vs.* AQUIDNECK NATIONAL BANK.

Where the treasurer of a corporation draws and uses its funds for private purposes, in the absence of circumstances giving rise to a reasonable inference of authority to do so, the bank is put upon inquiry.

A bank which held individual notes of the treasurer of a corporation received a check of the corporation signed by him as treasurer with directions to apply the proceeds in payment of the notes, and did so, surrendering the notes with its rights against indorsers and collateral security which it held, without any inquiry as to whether the payment was authorized by the corporation. Such inquiry would have disclosed that the treasurer had no such authority. The corporation made no demand for the money for four years, although the check was entered on its pass-book and was itself returned by the bank with the other cancelled checks soon after the transaction. Held, that the corporation was not estopped from recovering the money.

The Manhattan Web Company, a corporation of New Jersey, was a depositor in the defendant bank. Its treasurer, E. Read Goodridge, drew against its account a check for $7,750, dated February 20, 1900, payable to the order of E. Read Goodridge, and signed "Manhattan Web Co., E. Read Goodridge, Treasurer." This check, indorsed, "Pay Aquidneck Nat. Bank or order E. Read Goodridge," was sent by Goodridge to Hopkins, Cashier of the bank, in a letter directing the application of the check to the payment of six notes then held by the bank. The bank followed instructions, and charged the check against the plaintiff's account. Four of these notes, amounting to $5,150, were notes of E. Read Goodridge for his personal indebtedness to the bank. Two of the notes were signed, "Manhattan Web Co., E. Read Goodridge, Treas.," and were indorsed, "Manhattan Web Co., E. Read Goodridge, Treas.," "H. L. R. Goodridge," and "E. Read Goodridge." These two notes were dated, respectively, November 7 and November 20, 1899. The plaintiff offered evidence to the effect that these two

notes were made by the Manhattan Web Company of New York, and were not notes of the plaintiff, the Manhattan Web Company of New Jersey. Upon a trial with a jury a verdict was rendered against the bank for the full amount of $7,750. The bank applied for a new trial.

Brown, *District Judge*: The plaintiff contends that it is well settled as a matter of law that, where an agent draws a corporation note or check payable to himself, and uses it to pay his individual debts or debts of third parties, the payee takes with notice of the fraud, and the burden is cast upon him to establish by proof that the act was authorized or ratified by the corporation; citing the following cases: (Rochester & Charlotte Turnpike Road Co. vs. Paviour, 164 N. Y. 281; Campbell vs. Manufacturers' National Bank, 67 N. J. Law, 301; Gale vs. Chase National Bank, 104 Fed. 214, 43 C. C. A. 496; Cohnfeld vs. Tanenbaum, 176 N. Y. 126; Randall vs. R. I. L. Co., 20 R. I. 625; New York I. Mine vs. First National Bank, 39 Mich. 644; Reynolds El. Co. vs. Merchants' National Bank, 55 App. Div. 1; Gerard vs. McCormick, 130 N. Y. 261.)

While there is a question whether this rule is not too broadly stated, since perhaps it would not be an unusual business transaction for a treasurer to draw corporate funds for his own salary, and to deposit them in his own account subject to check for his private bills, yet the cases cited are at least sufficient to justify the propositions that, where a treasurer of a corporation draws and uses its funds for private purposes, in the absence of circumstances giving rise to a reasonable inference of authority to do so, the bank is put upon inquiry; and that a presumption of a treasurer's authority to apply corporate funds to his private purposes does not arise from the mere fact that he does so apply them.

As to the individual notes of Goodridge, there apparently was no fact, additional to the assumption of authority by the treasurer, to give rise to any fair inference of special authority to use the funds of the corporation to pay his individual notes.

As to the application of the corporate funds to the payment of the notes of the Manhattan Web Company of New York a very different question arises. This was not, on its face, an application of the funds to the treasurer's private use; and I think it cannot be said, as a matter of law, that the payment of a note of a third person is prima facie illegal, or apparently without the scope of the authority of a treasurer conducting the business of a corporation.

Even if the bank officers knew that the Manhattan Web Company of New Jersey and the Manhattan Web Company of New York were distinct corporations, and were ignorant of their relations, they were not bound to inquire as to the special authority of a treasurer having general authority over the funds. In the absence of notice that he was appropriating the funds to his own or to unauthorized purposes, they might fairly assume his authority to direct the payment of money to a third person. As a matter of evidence, however, the similarity of the names, officers, and stockholders of the two corporations, and information that one was about to succeed the other, would bring this branch of the case within the doctrine of Dike vs. Drexel, 11 App. Div. 77, affirmed 155 N. Y. 637, cited in Rochester & C. T. R. Co. vs. Paviour, 164 N. Y. 281.

I am of the opinion that the evidence did not warrant a finding that there was apparently no authority to pay the notes of the Manhattan Web Company of New York, and that this was prima facie illegal.

The defendant relies upon the fact that after paying the check of February 20, 1900, for $7,750, the bank, on April 2, 1900, made up the passbook of the plaintiff, showing the withdrawal, and sent it, with the check vouchers, to the plaintiff, and that it was retained without objection until 1904, when suit was brought. It is contended that the plaintiff failed in its duty of reasonable diligence to examine its account and to give notice of irregularties within a reasonable time; citing Leather Mfrs. Bank vs. Morgan, 117 U. S. 96. The applicability of this doctrine to the present case is very doubtful. The bank knew at the outset that money was to be used to pay Goodridge's individual debts. Without inquiry it at once surrendered its rights against indorsers of

the old notes and its collateral security as well. Knowing the facts, it could not complain because it was not informed of them by the plaintiff. The bank did what was prima facie unlawful—surrendered its security—and then communicated the fact through the passbook and vouchers. There is a clear distinction between a case where a bank unwittingly has taken a forged check and the depositor has failed to give the bank timely information of the forgery, thus acting negligently, and preventing the bank from taking steps for its protection, and the present case. In Leather Manfrs. Bank vs. Morgan, 117 U. S. 96, 112, it was said: "Of course, if the defendant's officers, before paying the altered checks, could, by proper care and skill, have detected the forgeries, then it cannot receive a credit for the amount of these checks, even if the depositor omitted all examination of the account."

This is applicable to the present case. The bank knew the facts, and knowingly gave up its securities. This either cut it off from all recourse against the original parties to the old notes, or it could at will seek to cancel the transacton. If it chose to wait, in the hope that the plaintiff would not object, its delay in proceeding against the original indorsers and original collateral is voluntary, and not caused by neglect of any duty of the plaintiff.

While the finding of the jury is substantially correct as to the sum of $5,150, the amount of Goodridge's individual notes, I am of the opinion that the instructions as to notes of the Manhattan Web Company of New York were not sufficiently favorable to the defendant, and that the verdict as to those notes, amounting to $2,600, is against the evidence.

Petition for a new trial granted, unless the plaintiff shall within 10 days file a remittitur as to $2,600. If such remittitur is filed, the plaintiff may take judgment for $5,150.

DISCOUNT OF STOLEN NOTES—TITLE OF BANK.

Supreme Judicial Court of Massachusetts, Suffolk, January 4, 1905.

MASSACHUSETTS NATIONAL BANK VS. SNOW.

Under the Negotiable Instruments Law a promissory note indorsed in blank is payable to bearer, and when such a note is presented for discount, the bank may presume that the bearer is the owner of the same

That the bearer is also the maker of the instrument is immaterial, after the instrument has been so indorsed as to become payable to bearer.

Under such law the holder in due course of a promissory note payable to bearer acquires a good title thereto, though negotiated to him by a person who has stolen it.

The provision of that law, that "where the instrument is in the hands of a holder in due course, a valid delivery thereof by all parties prior to him, so as to make them liable to him, is conclusively presumed," applies to a case where the instrument is received from a thief.

KNOWLTON, C. J.: This was an action of contract on three promissory notes, signed, "H. G. & H. W. Stevens," payable to the order of the defendant, indorsed by him in blank, and discounted by the plaintiff. They severally bear date December 9, 1897, and the rights of the parties are accordingly governed by St. 1898, p. 492, c. 533, sometimes called the "Negotiable Instruments Act," which is now embodied in Rev. Laws, c. 73, Sections 18-212, inclusive. In referring to different provisions of this statute, it may be convenient to cite the sections of the Revised Laws, rather than the original act.

The maker of the notes, H. W. Stevens, who did business under the name of H. G. & H. W. Stevens, has deceased; and the defendant introduced evidence tending to show that, after the defendant had indorsed the notes, they were taken from his possession by the maker, without his knowledge or consent, and discounted at the plaintiff bank, and that they were altered by the insertion of the words "seven per cent," after the words "with interest." The defense is founded on this evidence.

The defendant's counsel stated that he made no contention that the bank had actual knowledge of any infirmity in the instruments, or defect in the title to them, or that it took them in bad faith. Nor was it contended by the defendant that in discounting the notes the bank acted otherwise than in the

regular and usual course of business. But upon the defendant's testimony it might be found that the notes were given to him by the maker in payment of the indebtedness; that, after he had indorsed them in blank, and put them in his desk for collection or discount, he was called out of his office, leaving the maker, Stevens, there; and that Stevens then took them without right, and three days later carried them to the plaintiff bank, and caused them to be discounted for his own benefit.

The plaintiff made many requests for rulings, which were refused, subject to its exception, among which were the following:

"First. That, on all the evidence, judgment should be for the plaintiff for the full amount declared upon in its declaration, with interest at seven per cent. from December 9, 1899.

Fourth. If the plaintiff shows it took the notes declared upon, in its declaration as a holder in due course, judgment should be entered for the plaintiff for the full amount of said notes, with interest at the rate stated in the same from December 9, 1899.

Fifth. That, when an instrument is in the hands of a holder in due course, a valid delivery thereof by all parties prior to him, so as to make them payable to him, is conclusively presumed.

Eighth. That the notes declared upon by the plaintiff in its declaration are complete and regular, and were taken before they were due and for value.

Ninth. That a holder of a note is deemed prima facie to be a holder in due course, and that to constitute notice of an infirmity in the instrument, or defect in the title of the person negotiating the same, the person to whom it is negotiated must have had actual knowledge of the infirmity or defect, or knowledge of such facts that his action in taking the instrument amounted to bad faith.

Fifteenth. That there is no evidence in the case to warrant a jury in finding that the plaintiff was possessed of facts which put it upon its guard as to the title of the person delivering the notes declared upon, or which ought to have led the plaintiff to inquire concerning the same.

Nineteenth. That when an instrument has been materially altered, and is in the hands of a holder in due course, not a party to the alteration, he may enforce payment thereof according to its original tenor.

Twenty-third. That even if the jury should find that the words 'seven per cent.' were added to the face of said notes after they were indorsed by the plaintiff, and without his authorization or revocation, yet, on all the evidence in the case, the verdict must be for the plaintiff for the full amount of said notes, with interest at six per cent. from December 9, 1899."

The plaintiff also excepted to the following instructions given at the request of the defendant:

"Fourth. That if the jury find that the notes were taken from the defendant wrongfully, and that the same were never delivered by the defendant to Stevens, the plaintiff gained no title to the notes by the negotiation of the same by Stevens, and the plaintiff cannot recover.

Fifth. The burden is upon the plaintiff to show that the notes were delivered by the defendant to Stevens, or some other person authorized to negotiate them at the plaintiff bank.

Seventh. Or, in the alternative, if the jury find that the notes in question were altered by the addition of the words 'seven per cent.' thereto after the same were indorsed by the defendant, such an alteration is a material and wrongful one, destroying the validity of the notes, and upon the notes, or any one of them, thus altered, the plaintiff cannot recover."

The notes, being indorsed in blank, were payable to bearer, within the meaning of the statute. (Rev. Laws, c. 73, § 26, 5.) When the notes were taken to the plaintiff for discount, Stevens was the bearer. (Rev. Laws, c. 73, § 207.) The presentation of such notes for discount raised a presumption of fact that the bearer was the owner of them. Pettee vs. Prout, 3 Gray, 502.)

Upon the undisputed evidence, and upon the defendant's admission that the plaintiff took them in good faith, and discounted them without knowledge of any infirmity in them or defect of title in Stevens, the plaintiff became a holder in due course, within the definition of the statute. (Rev.

Laws, c. 73, §§ 69-76; Boston Steel & Iron Company vs. Steuer, 183 Mass. 140.)

There was not even anything to put the plaintiff upon inquiry, for the rate of interest was the same that Stevens had been paying on his loans from the bank for two years. The uncontradicted evidence, as well as the defendant's admission, makes it plain that the plaintiff had no notice of any infirmity in the instruments, or defect in the title of Stevens, under the rule prescribed by the statue. (Rev. Laws, c. 73, § 73.)

This rule, namely, that, to constitute such notice, the person to whom the note is negotiated must have had actual knowledge of the infirmity or defect or knowledge of such facts that his action in taking the instrument amounted to bad faith, is the same as prevailed in this Commonwealth before the enactment of the statute. (Smith vs. Livingston, 111 Mass. 342: Lee vs. Whitney, 149 Mass. 447; International Trust Co. vs. Wilson, 161 Mass. 80-90.)

The defendant's contention that, after the notes had been delivered to the defendant and indorsed by him, they were stolen by Stevens, brings us to the question whether, under the Negotiable Instruments Act, a holder in due course of a note payable to bearer, that has been stolen, can acquire a good title from the thief.

Even before the enactment of the statute, while the decisions were not uniform, the weight of authority was in favor of an affirmative answer to the question. (Wheeler vs. Guild, 20 Pick. 545, 550, 553; Worcester, etc., Bank vs. Dorchester, etc., Bank, 10 Cush. 488; Wyer vs. Same, 11 Cush. 51, 53; Spooner vs. Holmes, 102 Mass. 503; London Joint Stock Bank vs. Simmons [1892] App. Cas. 201, and cases cited; Smith vs. Bank, 1 Q. B. D. 31: Goodman vs. Simmonds, 20 How. 343-365, Murray vs. Lardner, 2 Wall. 110; Hotchkiss vs. National Shoe and Leather Bank, 21 Wall. 354; Kinyon vs. Wohlford, 17 Minn. 239 [Gil. 215]; Clarke vs. Johnson, 54 Ill. 296; Seybel vs. National Currency Bank, 54 N. Y. 288; Evertson vs. National Bank of Newport, 66 N. Y. 14; Kuhns vs. Gettysburg National Bank, 68 Pa. 445.)

The following specific language of the statute touching this question, as well as its provisions in other sections, was intended to establish the law in favor of holders in due course: "But where the instrument is in the hands of a holder in due course, a valid delivery thereof by all parties prior to him, so as to make them liable to him, is conclusively presumed." (Rev. Laws, c. 73, § 33.)

This conclusive presumption exists as well when the note is taken from a thief as in any other case. Of course, this rule does not apply to an instrument which is incomplete. But in reference to a complete, negotiable promissory note, payable to bearer, it is a wholesome and salutary provision. (See Greeser vs. Sugarman, 37 Masc. [N. Y.], 799.)

Upon the defendant's statement and the counsel's theory of the case, the rule is applicable. The note was not only complete in form and in execution, but, upon his testimony, it had been delivered to him by the maker as a binding instrument, and had afterwards been indorsed by him. Therefore the first sentence of Rev. Laws, c. 73, § 33, "Every contract on a negotiable instrument is incomplete and revocable until delivery of the instrument for the purpose of giving effect thereto," was inapplicable. The instrument had taken effect, and was subsequently negotiated by the bearer to the plaintiff as a holder in due course. That the bearer was also the maker was immaterial after the instrument had been so indorsed as to become payable to bearer. Upon the plaintiff's theory of the facts, there was no theft, but an ordinary accommodation indorsement by the defendant for the benefit of the maker, and none of these questions arise. We are of opinion that the judge erred in giving the fourth and fifth instructions requested by the defendant, and in refusing other instructions requested by the plaintiff, founded upon a different view of the statute.

There was also error in the instructions given as to the alleged alteration of the notes. By Rev. Laws, c. 73, § 141, it is provided that "when an instrument has been materially altered, and is in the hands of a holder in due course, not a party to the alteration, he may enforce payment thereof according to its original tenor." This language is directly applicable to the present case. (See Scholfield v. Earl of Londesborough [1894] 2 Q. B. 660,

[1895], 1 Q. B. 536, [1896], A. C. 514; Schwartz vs. Wilmer, 90 Md. 136-143, 44 Atl. 1059.)

We understand that the instructions were given independently of any question of pleading, and we therefore do not deem it necessary to determine at this stage of the case whether the plaintiff should amend its declaration by inserting counts upon the notes as they were before the alleged alteration, if it wishes to recover upon them as notes bearing interest at only 6 per cent. (See Mutual Loan Ass'n vs. Lesser [Sup.] 78 N. Y. Supp. 629.) Nor do we consider other questions which are not likely to arise upon a second trial.

Exceptions sustained.

DISCOUNT OF PROMISSORY NOTE—WHEN BANK NOT HOLDER FOR VALUE—APPLICATION OF PROCEEDS TO PAYMENT OF EXISTING DEBT.

New York Supreme Court, Appellate Division, Third Department, December, 1904.

CONSOLIDATION NATIONAL BANK *vs.* KIRKLAND.

The action of a bank in discounting a promissory note, and placing the avails thereof to the payee's credit, does not of itself constitute the bank a bona fide holder for value of the note.

The fact that the payee died insolvent the day after discounting of the note, and that at the time of his death the amount to his credit in the bank was less than the avails of the discount, does not establish that the bank is a bona fide holder for value of the note to the extent of the difference between the amount remaining to the payee's credit and the avails of the discount, where no proof is given as to whether the difference resulted from the payment by the bank of an overdraft of the payee, or of some other past-due obligation of the payee, or from the payment of checks drawn by the payee against his account.

If the avails of the discount were applied to the payment of an existing indebtedness of the payee to the bank, it would be incumbent upon the bank, in order to establish that it was a bona fide holder for value of the note, to show that it was expressly agreed between the bank and the payee that the avails should be so applied.

This was an appeal by the plaintiff the Consolidation National Bank, from a judgment of the supreme court in favor of the defendant, entered in the office of the clerk of the county of Broome of January 23, 1904, upon the decision of the court, rendered after a trial at the Broome trial term (the jury having been discharged), dismissing the complaint upon the merits.

CHESTER, J.: The finding that the note sued upon was fraudulent in its inception is sustained by sufficient evidence. That being so, the burden was upon the plaintiff, to whom it was transferred by Wilson, the payee, to show, before it could recover against the defendant, that it was a bona fide holder for value. (Neg. Inst. Law [Laws of 1897, chap. 612], § 98; Vosburgh vs. Diefendorf, 119 N. Y. 357; Grant vs. Walsh, 145 id. 502; Mitchell vs. Baldwin, 88 App. Div. 265.)

We do not think the plaintiff sustained this burden in this case. It does not appear that the plaintiff paid anything to Wilson at the time it discounted the note in question for him, which was made by the defendant, but it does appear that the entire amount of the avails of the note discounted was placed to Wilson's credit on the books of the plaintiff bank. That credit alone, however, was not a payment for the note or a parting of value on the part of the plaintiff. (Albany County Bank vs. People's Ice Co., No. 1, 92 App. Div. 47.) Wilson died insolvent the next day after the note was so discounted. It is true that at the time of his death the amount to his credit was a sum less than the amount of such avails, but there is no proof as to what caused the difference, whether it came from the payment by the plaintiff of an overdraft of Wilson's or by the payment of some other past-due obligation held by the plaintiff against Wilson, or by the payment of checks drawn by Wilson against his account, and we have no right to infer or presume that the difference resulted from any such payments. (Spring Brook Chemical Co. vs. Dunn, 39 App. Div. 130.)

If the avails of the discount were applied to the payment of an existing indebtedness of Wilson's to the plaintiff, it was incumbent on the plaintiff to show that it was expressly agreed between it and Wilson that the avails should be so applied in payment and extinguishment of such indebtedness in order to establish that the plaintiff was a bona fide holder for value (Case last cited; Phoenix Ins. Co. vs. Church, 81 N. Y. 218); but there was no such proof.

Nor was there any proof that any checks were drawn by Wilson against his account and paid by the plaintiff, or charged to his account, after the discount and before his death.

We think, therefore, that the plaintiff failed to satisfy the burden resting upon it and that its complaint was properly dismissed.

The judgment should be affirmed, with costs.

PROMISE OF CASHIER TO PAY DRAFT—WHEN NOT BINDING ON BANK.

Supreme Court of Georgia, December 21, 1904.

BULLARD BROS. *vs.* BANK OF MADISON.

A promise by the Cashier of a bank, made without consideration to the drawer of a draft, to pay the same out of funds of a customer on whom the draft is drawn, and who has been credited with the proceeds of negotiable paper which he, as owner, transferred to the bank, is not enforceable against the bank unless the customer assents that the bank shall make such an application of the funds so placed to his credit.

During the cotton season of 1896, Bullard Bros., a firm doing business at Machen, Ga., engaged in buying cotton on commission. Under an arrangement made with J. D. Tweedy, a cotton buyer of Madison, Ga., Bullard Bros. shipped cotton to him, receiving a commission of twenty-five cents per bale. It was customary for that firm to pay for cotton purchased by it with a draft drawn on Tweedy in favor of the seller, and for Tweedy to honor the draft as soon as he received the cotton, or a bill of lading therefor. At the beginning of the season Bullard Bros. took out bills of lading in the name of the firm as consignor, but later adopted the course of having them made out in the name of Tweedy as consignor, as well as consignee. On receiving a bill of lading covering a particular shipment, Tweedy would go to the Bank of Madison, and indorse and surrender to it the bill of lading, afterwards substituting therefor another bill of lading covering a shipment of cotton to one of his customers, which the bank would attach to a draft drawn on such customer for the amount of the purchase price he had agreed to pay. In this way the Bank of Madison, which made advances to Tweedy on the security of the bills of lading indorsed to it, placed itself in a position where it could pay for Tweedy drafts drawn on him by Bullard Bros. and other parties making sales to him. Near the close of the cotton season, Tweedy became involved. The bank declined to make further advances to him, and a number of drafts which had been drawn on him by Bullard Bros., and which the holders had sent to the bank for collection, were either protested for nonpayment, or returned by the bank with the statement that the same could not be collected. Subsequently Bullard Bros. were compelled to settle with the holders of these drafts. The purpose of this suit was to require the bank to refund to Bullard Bros. the amount so expended.

EVANS, *J.* (omitting part of the opinion): As to whether or not the Cashier of the defendant bank really agreed to pay the Huntington draft on presentation, the evidence was conflicting. But, however this may be, it does not appear that at the time the promise was alleged to have been made Bullard Bros. had any ownership of or control over the bills of lading representing the cotton for which that draft was given. The only conclusion warranted by the testimony is that these bills of lading had been surrendered to and belonged to Tweedy at the time the bank advanced money thereon, and that the advance was made to him, and not to Bullard Bros. There was no evidence that he assented to or contemplated payment of the draft out of the proceeds of these particular bills of lading. The court, however,

charged the jury, in effect, that, if they believed such an arrangement was made by Bullard with the cashier of the bank, and that Tweedy assented thereto, the bank would be liable for the amount of the Huntington draft if it was returned to the holder with notice of dishonor; but, if the understanding between Tweedy and Bullard was that out of the proceeds of the $6,100 worth of bills of lading, the bank should pay Bullard only the amount of $5,500 received by him, then the difference would belong to Tweedy, and the bank was bound to credit his account with that amount, and to apply it to any purpose Tweedy might thereafter direct. This charge was certainly as favorable to the plaintiff as the plaintiff had any right to demand or expect. The plaintiff failed to sustain the theory on which the petition was evidently based, viz., that the bills of lading belonged to Bullard Bros., and were surrendered to the bank on condition that the Huntington and other outstanding drafts would be paid on presentation out of the proceeds. Unless Bullard Bros. owned or controlled the bills of lading, of (if they belonged to Tweedy) he assented to the payment by the bank of the outstanding drafts, the alleged promise of its cashier to pay them on presentation was wholly without consideration, and in no sense binding on the bank on the doctrine of estoppel, or upon any other theory of liability. The plaintiff's evidence was at fault, not the charge of the court.

DEED OF CASHIER—CONVEYANCE TO HIMSELF.

Supreme Court of North Dakota, December 21, 1904.

NORTHWESTERN FIRE AND MARINE INSURANCE COMPANY *vs.* LOUGH, *et al.*

A deed executed by the Cashier of a bank to himself as an individual is, in the absence of affirmative evidence of such authority, presumptively void and of no effect.

This was an action against Sidney C. Lough and others to foreclose a mortgage against lot seventeen in block seven in the town of Northwood and county of Grand Forks, which mortgage was executed as security for a note for $2,000. The State Bank of Northwood and Samuel Loe, as receiver of said bank, answered and asserted that Lough had no right or title to the property mortgaged at any time, but, on the contrary, the lot was at the time of the execution of the mortgage and note the property of the bank, under a warranty deed duly recorded. The defendant bank and its Receiver asked that title be quieted in them.

GLASPELL, *Special Judge*: It appears that a warranty deed was executed by one Iver Johnson to the State Bank of Northwood on February 17, 1897, and recorded two days later. The plaintiff claims that this instrument, in form a deed, was in truth a mortgage, and that the debt secured thereby has been paid.

Whether this conveyance was a deed or a mortgage is the principal issue in this action. The plaintiff's mortgage was executed and delivered on December 14, 1899, and recorded on the 26th day of the same month.

The source of title for all parties to this action was Iver Johnson, and the defendant bank rests upon his warranty deed, which purports to convey an absolute title for a consideration. As this deed was executed, delivered, and recorded prior to the mortgage, it conveyed a good title, unless the writing was not a deed, but really a mortgage. The burden of showing the negative was upon the plaintiff, and required evidence clear, satisfactory, and specific. (Jasper vs. Hazen, 4 N. D. 1; Riley vs. Riley, 9 N. D. 580; McGuin vs. Lee, 10 N. D. 160; Wells vs Geyer, 12 N. D. 316; Little vs. Braun, 11 N. D. 410.) The trial court found, under the evidence, that the deed was an absolute conveyance of title; and this court reaches the same conclusion upon a review of the entire case, under section 5630, Rev. Codes 1899.

The defendant Sidney C. Lough is the central figure in this case, and he was at the times herein stated cashier of the State Bank of Northwood. The bank became insolvent, and Samuel Loe was appointed receiver October 10, 1901, under the state banking law. An instrument purporting to be a warranty deed from the State Bank of Northwood to Sidney C. Lough was

recorded October 31, 1899, conveying the premises in issue. It was executed by Lough, as cashier of the bank, to himself as grantee. There is no evidence to show that he had power or authority from the directors of the bank to make such deed, but it was affirmatively shown that he had no such power. In the absence of affirmative evidence of such authority, a deed made by the cashier of a bank to himself as an individual is presumptively void and of no effect. (West St. Louis Savings Bank vs. Parmalee, 95 U. S. 557.)

To the general rule that the acts and contracts of a general agent, within the scope of his powers, are presumed to be lawfully done and made, there is an exception as universal and inflexible as the rule. It is that an act done or a contract made with himself by an agent on behalf of his principal is presumed to be, and is, notice of the fact that it is without the scope of his general power, and no one who has notice of its character may safely rely upon it without proof that the agent was expressly and specifically authorized by his principal to do the act or make the contract. (Park Hotel Co. vs. Fourth National Bank of St. Louis, 86 Fed. 742, 30 C. C. A. 409; Bank vs. Kingsland, 5 N. D. 263.) There has been no ratification of the act of Lough in conveying the lot to himself, but, on the contrary, he admitted to the State Bank Examiner, after the failure of the bank, that the property belonged to the bank.

The trial court ruled that the State Bank of Northwood was, and has at all times since February 17, 1897, been, the owner in fee of the land in controversy; that the deed of the State Bank of Northwood executed by Sidney C. Lough, its cashier, to Sidney C. Lough, is void and of no effect; and that the mortgage executed by Lough in favor of plaintiff is wholly void and of no effect, and should be cancelled of record. The evidence conclusively supports this conclusion.

The judgment is affirmed.

NOTE BROKERS—WHEN DEEMED BANKERS—USURY.

United States District Court, Southern District of New York, December 5, 1904.

In re SAMUEL WILDES' SONS.

The fact that a larger amount has been paid for the use of money than the legal rate of interest, even if the excess is paid as interest, does not establish usury; but there must be proof of a usurious contract pursuant to which the interest was paid.

Under the New York Act of 1882 (Laws 1882, chap. 237), which in substance abolishes the usury law in respect to advances of money payable on demand, to an amount not less than $5,000, made upon negotiable instruments pledged as collateral security, the loan is nonusurious, though the agreement is merely oral.

The statute of New York (Laws 1882, ch. 4091, secs. 68, 69), which places State banks and bankers on the same footing as National banks with respect to usury, applies to all persons engaged in the banking business.

The making of loans on collateral security is a part of the business of banking; and where note brokers make loans to their customers on the security of the notes held for sale, they become engaged in the banking business within the meaning of the statute.

The compensation paid to note brokers for their services will not be treated as interest to sustain a defence of usury.

This was a proceeding to review an order of the referee expunging the claim of H. C. Bennett & Co. against the bankrupt estate for $102,564.59 for money loaned. The trustee contested it on the ground of usury, and the referee sustained the contention.

HOLT, *District Judge*: The claimants contend that usury cannot be pleaded in bankruptcy, but it appears to be settled by a decision of the circuit court of appeals that a trustee in bankruptcy can interpose the defence of usury in opposition to a claim filed against the bankrupt estate. (Matter of Kellogg, 10 Am. Bankr. Rep. 7, 121 Fed. 333, 57 C. C. A. 547.) By the decisions in the courts of New York, the fact that a larger amount has been paid for the use of money than the legal rate of interest, even if the excess is paid as interest, does not establish usury. There must be proof of a usurious contract pursuant to which the interest was paid. (White vs.

Benjamin, 138 N. Y. 623; Rosenstein vs Fox, 150 N. Y. 363; Bosworth vs. Kinghorn, 94 App. Div. 187. The party pleading usury has the burden of proof.

The trustee in this case, therefore, in order to maintain his objection, must establish by a preponderance of proof that there was a contract made to take usury. The facts bearing on this question are that prior to 1899 the firm of H. C. Bennett & Co. was composed of Daniel H. Bennett and Hiram C. Bennett; that in 1899 Daniel H. Bennett died and a new firm was formed, composed of Hiram C. Bennett and Edward H. Bennett, who under the same name have continued the business to the present time. The original business of the firm was that of note brokers. Prior to 1899 transactions began between them and Samuel Wilde's Sons, the bankrupts. They at first acted simply as note brokers to sell the bankrupts' notes. After a while the practice arose, when the bankrupts needed money upon notes before Bennett & Co. could sell them, that Bennett & Co. would advance money to the bankrupts until the notes could be sold, and when sold Bennett & Co. reimbursed themselves from the proceeds. As soon as these advances became large, Bennett & Co. were obliged to borrow money from banks in order to be able to make them. The money borrowed from banks was not turned over in specie to the bankrupts, but the making of such loans to the bankrupts made it necessary, in frequent instances, to borrow the money. Bennett & Co. originally charged various amounts for obtaining money, varying from seven per cent. to 13½ per cent., according to the varying conditions of the money market. After a certain period it was agreed between the parties that there should be a uniform charge of twelve per cent.; that when notes were sold the whole amount should be collectible, but, when money was advanced on account, six per cent. should be paid at the time, and a further sum of six per cent. at the end of the year.

This was the manner in which business was being carried on between the parties at the time that Daniel H. Bennett died and the new firm was formed. Obviously, if the old firm had made a usurious contract, that would not establish that the new firm had entered into similar usurious contract. The trustee is therefore bound to show that after the new firm was organized a usurious contract was made. It is admitted that there never was any written contract on the subject, but it is claimed that at a conversation in March, 1901, between Mr. Harris, a gentleman who represented the bankrupts' firm, and Mr. Hiram C. Bennett, such an agreement was made. At the time of this conversation the balance on the loan account had reached a figure of over $100,000. Bennett & Co. had demanded a reduction in the amount of the loan, and the object of this interview was to discuss that subject. Bennett & Co. had not, before the interview, made any demand for an increase of the rate of interest, or said anything on the subject, but Mr. Bennett demanded at the interview that the amount of loans should be reduced to $75,000. After this subject had been discussed, and the proposed reduction assented to, Mr. Harris says: "I then said to Mr. Bennett: 'And now, as to all the loans and notes in the future, the rate of interest shall be the same in the future as it has been heretofore; that is, twelve per cent. upon the notes at the time of sale and settlement, and six per cent. upon the loans at the time the loans are settled—each loan—and at the end of the year the additional six per cent., making twelve per cent. upon the loans and upon the notes.' He said that was satisfactory. That was as we had been doing, and it was to be continued."

This is substantially the sole proof of the alleged contract of usury. Mr. Harris states this conversation again on cross-examination several times, but substantially in the same way. Both Hiram Bennett and Edward Bennett testify that they were present at the conversation; that the subject of it was exclusively the reduction of the loan account; and both deny that anything was said at that time or any other time about the rate of interest. Mr. Harris admits that the Messrs. Bennett did not introduce the subject and never then or at any other time demanded any increase of the rate. The six per cent. which was to be paid at the end of the year was not paid regularly or in exact amounts, and never appears to have been demanded by Bennett & Co. Whenever the bankrupts found it convenient they paid it—sometimes in full and sometimes in sums on account.

Upon this evidence it does not seem to me that the trustee has proved by a preponderance of testimony that there was a specific contract made about interest. Harris says there was, and the two Bennetts say there was not. There appears to be no reason for anything being said at that interview on the subject. Bennett & Co. did not ask for any change in the rate of compensation, and no change was made. If such a conversation took place, the result was just the same as though nothing had been said. At the same time, if there were nothing else in the case, I should hesitate to interfere with the decision of the referee on a question so purely one of fact.

But it seems to me that the evidence establishes that the excess of money paid over the legal rate of interest, even if it was sometimes termed interest by the parties, was not interest, and was not understood to be interest. Bennett & Co. rendered services as note brokers to the bankrupts, for which they were entitled to compensation, and they gave the bankrupts the benefit of their credit at the bank, for which they were entitled to compensation. It is perfectly well settled that parties rendering such services are entitled to compensation for them. Claims of such services may be made a cloak for usury, but, if they were rendered in point of fact, the compensation for them is not usury. In this case Bennett & Co. raised for the bankrupts, by the sale of their notes or by advances, between March, 1901, and July, 1902, nearly $2,000,000. The loan account during all that period was substantially about $100,000, and Mr. Bennett testifies that, had it not been for the loans to the bankrupts, they would not have been obliged to borrow money from banks in their business. When they borrowed money from banks, the banks presumably took off the legal discount, and the trustee's proposition is that this money should have been turned over to the bankrupts without any further deduction. If the bankrupts could have borrowed the money from the banks on their credit, they would probably have done so; but, if they needed, in order to obtain it, to have the benefit of the credit of Bennett & Co., there is no reason why they should not make a valid contract to pay for it.

Moreover, I do not see why the defense of usury to this claim is not barred by the act of 1882 (Laws 1882, p. 290, c. 237), which in substance, abolishes the usury law in respect to advances of money payable on demand, to an amount not less than $5,000, made upon negotiable instruments pledged as collateral security. The counsel for the trustees asserts that under that act the contract must be in writing. But it has been held that the only necessity of a writing under that act is in order to enable the lender to collect more than six per cent. The statute makes such a loan non-usurious even if the agreement is oral. (Hawley vs. Kountze 6 App. Div. 217.)

The trustee's counsel asserts that the negotiable paper of the bankrupts in the hands of Bennett & Co. for sale was not collateral security. I cannot see why it was not. Bennett & Co. held at the time of the failure thirty-two notes, for $5,000 each, amounting to $160,000, made by the bankrupts, payable to the order of themselves, and indorsed by them. These notes had been sent to Bennett & Co. for sale. Bennett & Co. had advanced to the bankrupts about $102,000 in anticipation of the sale of these notes, and in reliance upon reimbursing themselves out of the proceeds of the sale. It is true that they were made by the bankrupts, but they were not given for the advances. Their amounts did not correspond with any advances, and no particular note was held as a particular security for any particular advance. Of course, so long as they remained in the hands of Bennett & Co. unnegotiated, they had no validity; but the power which their negotiability conferred upon Bennett & Co. to use them for the protection of their own advances made them, it seems to me, clearly collateral security. I therefore cannot see why, even if this was a usurious contract, the act of 1882 does not apply.

I also think that the provision of the usury law forfeiting the principal of a usurious loan does not apply to Bennett & Co., because in that part of their business in which this claim was incurred they were private bankers. The National Bank Act [3 U. S. Comp. St. 1901, pp. 3454—3493] provides that usurious interest cannot be collected, but it does not impose as a penalty for usury the forfeiture of the principal.

In 1870 the Legislature of New York passed an act (Laws 1870, p. 437, c. 163) subjecting State banking associations to the same liability in respect to usury that the National banks were under. In 1880, by chapter 567 (page 823), this act was amended so that it should apply to private or individual bankers doing business in this State. This amendment, in substance, was incorporated in the banking act of 1882, being sections 68 and 69 (Laws 1882, pp. 607, 608, c. 409). Under this legislation the Court of Appeals held that the effect of the amendment of 1880 was to abolish the forfeiture of the principal of usurious loans made by all persons engaged in the business of banking, including not only those doing business under the authority of the Superintendent of Banking, sometimes termed "individual bankers," but all other persons engaged in the banking business. (Perkins vs. Smith, 116 N. Y. 444.) The making of loans on collateral security is part of the business of banking. In this case Bennett & Co. not only made advances to the bankrupts, but they had twenty-five or thirty similar accounts. Undoubtedly their original business was that of note brokers, but, in my opinion, when, instead of confining their business to selling notes of their customers, they adopted as a branch of their business the making of loans to their customers on the security of the notes held for sale, they became engaged in the banking business.

In Linde vs. Grant (Sup.) 13 N. Y. Supp. 533, the plaintiffs were warehousemen; but, as a part of their business, they made advances on the security of warehouse receipts, and the court held that in respect to such advances they were engaged in a banking business. The trustee's counsel argues that it is necessary, in order that a man should be a banker, that he should receive deposits subject to check. That was originally undoubtedly a common branch of a private banker's business, and the defendants in Perkins vs. Smith did receive such deposits. But in Carley vs. Tod, 83 Hun, 53, the defendants did not receive deposits subject to check. Their business was that of ordinary private bankers in this city, very few of whom, as a part of their business, receive deposits subject to check. Their business consisted in making loans on collateral, dealing in bonds, stock, and negotiable securities, and financing general business enterprises. I was counsel in that case, and urged strenuously that the decision in Perkins vs. Smith did not apply; that the rule there laid down, if applied to ordinary private bankers who receive no deposits, practically nullified the usury laws of the state, and enabled any man to make usurious loans provided he did it as a regular business; but the court disregarded the argument, and held that, under the authority of Perkins vs. Smith, loans which the court held to be unquestionably usurious were entirely valid as to the principal sum loaned, because the defendants were private bankers.

The simple fact is that the provision of the usury laws of New York which imposes as a penalty for usury the forfeiture of the principal of the loan is so harsh that the courts of New York have in some cases given a strict construction to the law, in order to avoid injustice. It is, of course, the duty of this court to follow the rules laid down by the State courts in the interpretation of State statutes.

My conclusion is that the order of the referee expunging this claim should be reversed, and the claim allowed as filed.

CLAIM FOR USURIOUS INTEREST PAID—BANKRUPTCY OF PERSON OWING CLAIM.

Supreme Court of the United States, January 3, 1905.

LOUIS A. PRADT, EXECUTOR, ETC. *vs.* WILLIAM C. ATWATER.

The claim of a bankrupt against a National bank for usurious interest paid is not retransferred to the bankrupt upon the termination of the bankruptcy proceedings and the discharge of the trustee, where the bankrupt omitted to put it in his schedules, and withheld all knowledge of it from the trustee.

In error to the Court of Civil Appeals of the Second Supreme Judicial District of the State of Texas to review a judgment reversing a judgment

of the District Court of Jack County in that State in favor of defendant in an action to recover usurious interest paid to a National bank, and entering judgment in favor of plaintiff for a portion of the relief sought.

The action was brought in the district court of Jack county by J. L. Lasater to recover from the First National Bank of Jacksboro twice a sum claimed to have been paid as usurious interest.

The material facts were as follows: J. L. Lasater and W. M. Maggard, as partners, borrowed of the bank $4,000, and executed their joint note with A. M. Lasater as security. They also mortgaged cattle as further security. Subsequently Maggard sold all his interest in the mortgaged property to J. L. Lasater, the latter assuming all liabilities and renewing the note with the same surety. Thereafter A. M. Lasater, the surety, bought all the mortgaged cattle, and, as part of the consideration, agreed to assume and pay off the note. In pursuance of this agreement he took up the note of J. L. Lasater, and gave his own note therefor. This last note A. M. Lasater paid in full to the bank. After all these transactions, and on November 19, 1900, J. L. Lasater filed his petition in bankruptcy in the district court of the United States. On January 7, 1901, he was discharged of his debts, and on June 11, 1901, the trustee was also discharged of his trust. The bankrupt returned no assets to the trustee, and did not tell him or the creditors about this claim for usury.

On July 26, 1901, he brought this action under the authority of section 5198, Revised Statutes, United States, U. S. Comp. Stat. 1901, p. 3493, to recover twice the amount of the interest paid to the bank. The court of appeals found that part of the interest was paid more than two years prior to the commencement of the action, and held that no recovery could be had as to that, but, reversing the district court, entered a judgment in favor of the plaintiff for double the amount of the balance of the interest, on the ground that usury entered into it all.

Mr. Justice Brewer delivered the opinion of the court:

The mere discharge of A. M. Lasater of the note executed by himself and J. L. Lasater, by giving his own note in renewal thereof, would not uphold a recovery from the bank on account of usurious interest in the former note. (Brown vs. Marion Nat. Bank, 169 U. S. 416, 42 L. ed. 801, 18 Sup. Ct. Rep. 390.) The payment contemplated by the statute is an actual payment, and not a further promise to pay; and was not made until the bank, in June, 1901, received its money. Prior to the renewal by A. M. Lasater, in October, 1900, there were only two or three small cash payments on the indebtedness.

We shall not stop to inquire whether J. L. Lasater can avail himself of the final payment made by A. M. Lasater. The court of appeals held that he could, reaching this conclusion on the authority of cases like Hough vs. Horsey, 36 Md. 184, 11 Am. Rep. 484; Richardson vs. Baker, 52 Vt. 617, to the effect that the grantee of mortgaged property, who in consideration of the purchase agrees to pay off the mortgage, cannot raise the question of usury, that being a personal right of the original debtor.

The court of appeals also held that the claim for usurious interest was one which survived the death of the person in whom the right of action was vested, and under the laws of Texas a part of his estate, and consequently one that could be sold and bought like any other chose in action. If so, that claim passed to the trustees in bankruptcy under section 70 of the bankrupt law [30 Stat. at L. 566, chap. 547, U. S. Comp. Stat. 1901, p. 3451], which, in describing the property passing to the trustee, names "property which prior to filing of the petition he could by any means have transferred."

The question then presented is whether this right of action, having once passed to the trustee in bankruptcy, was retransferred to J. L. Lasater upon the termination of the bankruptcy proceedings, he having returned no assets to his trustee, and having failed to notify him or the creditors of this claim for usury, and beginning this action within less than two months after the final discharge of the trustee. We have held that trustees in bankruptcy are not bound to accept property of an onerous or unprofitable character, and that they have a reasonable time in which to elect whether they will accept or not. If they decline to take the property, the bankrupt can

assert title thereto. (American File Co. vs. Garrett, 110 U. S. 228, 295; Sparhawk vs. Yerkes, 142 U. S. 1; Sessions vs. Romadka, 145 U. S. 29; Dushane vs. Beall, 161 U. S. 513.)

But that doctrine can have no application when the trustee is ignorant of the existence of the property, and has had no opportunity to make an election. It cannot be that a bankrupt, by omitting to schedule and withholding from his trustee all knowledge of certain property, can, after his estate in bankruptcy has been finally closed up, immediately thereafter assert title to the property on the ground that the trustee had never taken any action in respect to it. If the claim was of value (as certainly this claim was, according to the judgment below), it was something to which the creditors were entitled, and this bankrupt could not, by withholding knowledge of its existence, obtain a release from his debts, and still assert title to the property.

The judgment of the court of civil appeals is reversed, and the case remanded to that court for further proceedings not inconsistent with this opinion.

BOND TO SECURE DEPOSITS—FAILURE OF BANK—LIABILITY OF OBLIGORS.

Supreme Court of Minnesota, December 16, 1904.

NELSON & ALBIN CREAMERY & CHEESE MFG. CO. *vs.* ARMSTRONG, *et al.*

The treasurer of a creamery association accepted a bond with sureties from a private banker for the faithful performance of his duties as the custodian of its funds. The bond was, by its terms, to continue for one year. Within the year a further agreement was indorsed thereon in these words: "We hereby agree that the within bond shall stand good until a successor to M. K. Armstrong is elected and qualified," which was assented to and signed by the principal and sureties. Deposits were made by the treasurer of the creamery association from time to time for over nine years before the failure and bankruptcy of the bank. Held:

That the consideration for the bond was the safe custody of the funds of the creamery association.

That by the terms of the memorandum indorsed on the back of the instrument it was to continue indefinitely until by the act of the association another depositary was named and qualified.

That findings of the court to the effect that the moneys were deposited for the benefit of the association during a period of some nine years was reasonably supported by the evidence which sustains the conclusion of law that the principal and sureties were liable for the amount due on the failure and bankruptcy of the bank.

(Syllabus by the Court.)

This was an action to recover upon default in a bond by a private banker and the four other defendants, who signed as sureties, conditioned to require the bank to safely keep and pay out funds intrusted to the custody of the principal. It was tried to the court, who made findings and sustained the liability of defendants. The points decided are stated in the official syllabus given above.

PROMISSORY NOTE—MATERIAL ALTERATION—EFFECT OF.

Supreme Court of Alabama, July 21, 1904.

CARROLL *vs.* WARREN.

An alteration which makes a note speak a language different in legal effect from that which it originally spoke, is material; and when made by one a stranger to the paper is ordinarily sufficient to avoid the contract as to all parties not consenting thereto. *

* In those States in which the Negotiable Instruments Law has been adopted, this rule has been modified so as to permit a bona fide holder for value to recover on the instrument as it was originally made. The provision of that Law is as follows: "Where a negotiable instrument is materially altered without the assent of all parties liable thereon, it is avoided, except as against a party who has himself made, authorized or assented to the alteration and subsequent indorsers. But when an instrument has been materially altered and is in the hands of a holder in due course, not a party to the alteration, he may enforce payment thereof according to its original tenor." (Sec. 205 New York Act.)

This was an action upon a promissory note, alleged to have been made by the defendant payable to the order of W. T. Magee & Co. at the People's Bank, of Troy, Ala., and transferred to the plaintiff. The defendant interposed the defense that the note had been materially altered without his consent. To this plea the plaintiff pleaded "that the note sued upon was executed in Alabama, payable at the People's Bank in Troy, Alabama, in money, at a fixed time, and was purchased by the plaintiff before maturity, in the usual course of business, for a valuable consideration, without notice of any defect or infirmity in the note, or any defense thereto as set out in said pleas."

SHARP, *J.* (omitting part of the opinion): There are assignments of error based upon the admission of testimony, which, with reference to a note in evidence, was given by defendant, to effect that "the note had been changed since he signed and delivered it by adding the words 'The People's Bank, Troy, Alabama,' after the printed words 'value received at,' and by affixing thereto revenue stamps and canceling the same; that the same was done without his knowledge and consent, and by some one not authorized by him to do so, and that he had never consented to or ratified the change; and that he had expressly refused, at the time said note was given, to give a note payable at a bank." The words so said to have been added made the note import negotiability, whereas, under our statute, without words designating a place of payment, the instrument would not have been negotiable. An alteration which makes a note speak a language different in legal effect from that which it originally spoke is material, and, when made by one not a stranger to the paper, is ordinarily sufficient to avoid the contract as to all parties not consenting thereto. (Montgomery vs. Crosthwaite, 90 Ala. 553; Woodworth vs. Bank, 19 Johns. 391.)

DUPLICATE CHECK—EFFECT OF INDORSEMENT THEREON—DELAY IN PRESENTING ORIGINAL.

Court of Civil Appeals of Texas, November 23, 1904.

LEWIS *VS.* COMMERCIAL NATIONAL BANK.

Where, after the loss of an original check, a duplicate was executed by the drawer and indorsed by the payee, such indorsement did not change the payee's relation to the original check, nor create any different liability on the duplicate than that assumed by his original indorsement.

Where an original check was drawn December 2, 1902, and indorsed to and deposited with plaintiff for collection and credit, and plaintiff did not discover its loss until August 20, 1903, when it obtained a duplicate from the maker, which was also indorsed by the payee, during which time the maker became insolvent, the payee was discharged from liability on his indorsement by plaintiff's laches in presenting the original check for payment.

GARRETT, *C. J.*: This suit was brought in the county court of Nacogdoches county by the Commercial National Bank of Nacogdoches against the San Augustine Brick Company, Henry Lewis, and Mayer & Schmidt, a firm composed of Abe Mayer and John Schmidt, to recover upon a duplicate check drawn by the brick company upon the First National Bank of San Augustine in favor of the said Henry Lewis, and by the said Lewis indorsed to Mayer & Schmidt and by said Mayer & Schmidt indorsed to the plaintiff, by whom the original check was lost before presentment. When the case was called for trial the plaintiff dismissed as to Mayer & Schmidt, and on submission to the court without a jury judgment was rendered in favor of the plaintiff against the defendants San Augustine Brick Company and Henry Lewis. The defendant Lewis alone has appealed.

The original check was drawn on December 2, 1902, by the San Augustine Brick Company on the First National Bank of San Augustine, in favor of Henry Lewis, for the sum of $500. It was indorsed by Lewis to Mayer & Schmidt, and by them indorsed to the plaintiff, to be collected and placed to their credit. The plaintiff lost the check, and did not present it for collection. It did not discover the loss of the check until several months after it acquired it, and on August 20, 1903, it applied to and obtained from the brick company the duplicate sued on. The duplicate is indorsed by the de-

fendant Lewis, but is not indorsed by Mayer & Schmidt. It was presented by the plaintiff to the San Augustine Bank for payment, but payment was refused for the want of funds to the credit of the drawer. The brick company, when it drew the check, had funds to its credit with the bank more than enough to pay the check, and had sufficient funds with it to pay the sum for the months of December, 1902, and January, 1903, after which it withdrew its deposits and became insolvent. The indorsement by Lewis of the duplicate check did not change his relation to the original, or create any liability on the duplicate different from the original. The use of the word "duplicate" across the check signified that it was made as a substitute for the original, and that no new liability was created thereby. (Benton vs. Martin, 40 N. Y. 345.)

The loss, mislaying, or destruction of the bill or note will not dispense with a regular presentment for payment, and, the defendant having been discharged from liability upon the original by laches as to presentment, the plaintiff could not recover on the duplicate. (4 Am. & Eng. Ency. Law, 468; Benton vs. Martin, supra.)

The judgment of the court below will be reversed, and judgment will here be given in favor of the defendant Lewis.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

Editor Bankers' Magazine: Ludington, Mich., Feb. 17, 1905.

Sir: Will you kindly answer through the "Answer to Law Questions" of your Magazine, this query? How may an account be opened or certificate of deposit be made payable, so that either the husband or wife may draw the money in the event of the death of one, without the matter having to go through any legal proceedings, or the bank be liable to any outside heirs if payment be made? W. L. HAMMOND, Cashier.

Answer.—In all such cases, the important point is to have it appear clear that upon the death of the husband the wife is to have the fund as survivor, or vice versa; and this right of survivorship may be sustained upon either of two grounds, viz.: (1) that they are joint tenants (Farrelly vs. Emigrant Industrial Savings Bank, 92 App. Div. [N. Y.] 529), or (2) that there is a gift by the one to the other in case of survivorship. (McElroy vs. National Savings Bank, 8 App. Div. 192; Matter of Meehan, 59 App. Div. 156.) We think that this might be accomplished by issuing the certificate of deposit, or opening the account in the name of both, adding the words, "or the survivor of them"; as, for example, "John Smith and Mary Smith, or the survivor of them," and if it is desired that the money may be drawn upon the signature of one of them during their joint lives, that fact may be stated in the certificate of deposit, or entered in the heading of the account.

Editor Bankers' Magazine: Asheville, N. C., Feb. 14, 1905.

Sir: The draft as shown below is received from one of our correspondents, without specific instructions not to protest, therefore it is assumed that it is to be protested. Can good demand be made on the First National Bank by notary for protest? Tryon is a nearby town and has no bank. Please answer through your columns, and oblige. W. B. WILLIAMSON, Cashier.

$5,000. Philadelphia, Pa., Feb. 10, 1905.
On demand pay to order of John Smith Doe, Five thousand and 00/100 dollars, value received, and charge to the account of
To Tryon Furniture Co., Tryon, N. C.
Payable at the First National Bank, Asheville, N. C.—American Supply Co.

Answer.—By the Negotiable Instruments Law, it is provided that presentment for payment is made at the proper place "where a place of payment is specified in the instrument, and it is there presented." (Laws N. C. 1899, Ch. 733, Sec. 73.) As the instrument referred to in the inquiry is expressly made payable at the First National Bank of Asheville, that is the place at which presentment should be made. Indeed, presentment at any other place would not be sufficient to hold the drawer.

NEW YORK, LONDON AND PARIS.

Four years ago American industry woke up one morning, like Byron, to find itself famous. At a bound it took the front place in some of the principal markets of the world. American banking, fired with a kindred ambition, made a bold stroke for the leadership of the world of finance. It did not completely succeed, but neither did it absolutely fail. Very considerable results remained from what seemed to be a premature effort.

The position which New York holds today in international finance is indisputably important. It has not only made itself felt in older financial circles, but it has rendered itself indispensable to them.

New York Not Yet the World's Financial Capital.

New York can afford to laugh now at its hasty conclusion of a few years ago that it was about to become the financial capital of the globe. It begins to realize that the globe is too large a place to be satisfied with one financial capital. Already it has in fact two or three, and as its international business increases it will require more. London has for many years enjoyed the distinction of being the hub of the monetary world, but practical bankers know that this is fast becoming a mere tradition. Like popular legends of other kinds, it dies hard; nevertheless, it is dying. Certain classes of international banking are still centred in London: rather, however, for the convenience of the operators than because of any exclusive hold London may have upon them. So far from monopolizing them it requires the active assistance of other financial centres in carrying them on.

Much of the international business that is transacted in London originates elsewhere—more of it in the United States perhaps than in any other country. In business of this kind, the financial centre where a bill is drawn may be quite as important as the one where it is accepted, and the one that provides the money for discounting the bill may be as necessary as either of the other two. New York as a drawing centre, London as an accepting centre, and Paris as the financing centre, have each a distinctive share in the operations. Each of the three has a special function to perform in the creation and circulation of international paper. Each has a money market of its own adapted to its peculiar role. It is a misnomer therefore to speak of any one city as the monetary capital of the world. No single city could ever acquire such a preponderance of the world's trade and its banking funds as to entitle it to set up any such claim. It can at the utmost have only a large share in the network of banking transactions which embraces all civilized nations.

France's Share in International Monetary Transactions.

Immense sums of French money are now employed in London in the discount of foreign bills—largely American. This is a fact of international significance, because it determines the character of the three financial centres concerned. It furnishes a key to many contrasts and anomalies which they exhibit. It also raises some most interesting financial and economic questions: As, for instance, how are these bills which New York appears to be always drawing on London ultimately liquidated; how can London stand the continual drain on her banking capital which they involve? What does New York do with the millions of money she ought to obtain from them if they be all genuine? How has Paris so much spare money to invest in foreign bills, and why does she lend so much of it to London instead of using it at home?

How the Great Financial Centres Co-operate.

Before attempting to answer any of these obscure and complex questions it will be necessary to describe the three different money markets under comparison.

London, Paris and New York though they fight metaphorically for the honor of being the world's chief money centre, are in reality not rivals but co-operators. They work into each other's hands—not perhaps of their own free choice, but because the conditions of their existence compel them to. New York could not if it would be a mere duplicate of London any more than London could become a second New York. Paris again has got to be herself and not a mere reflection either of New York or London.

These conclusions will be amply proved and illustrated by the description about to be given of the three money markets.

London the World's Chief Bill Market.

London is preëminently the bill market of the world. In that particular department it stands indisputably at the head of international finance. The operation of dealing in foreign bills and of rendering them universally negotiable is so efficiently performed there as to leave no room for competition. For any other city, however wealthy, to attempt to reproduce the machinery essential to such a business would be a waste of time and labor. Moreover, if it succeeded it might find that it had made a very poor investment. The capital employed in it will hardly yield three per cent all round, and no important bank outside of London would think much of such return. A plethora of cheap money is one of its primary requisites, and cheap money, from the banker's point of view, is unprofitable.

We may be reminded that money is generally cheaper in Paris than in London, and so it is. But Paris does not possess the other requisites of an international bill market. Neither is its cheap money so liquid or so readily available as that of London. Few persons, even bankers, have any conception of the large amounts of capital, British and foreign, which are now engaged in the daily operations of international exchange. Fewer still suspect what a number of banks, finance houses and other agencies take part in them. The skill and energy they call for are equalled only by the keenness of competition they develop.

According to a well-known banking authority, Mr. Inglis Palgrave, there are in London over a thousand offices or agencies of outside banks. This is five times the number of purely domestic banks in the United Kingdom. The actual figures as given by him in the London Banker's Magazine for March, 1904:*

Banks in the United Kingdom	204
British, colonial and foreign banks having offices or agencies in London	1,070
Total	1274

The greater number of the 1,070 offices or agencies exist of course for purposes of international exchange. They are drawn upon by their foreign or colonial principals. They accept bills or arrange for acceptances by a London bank. They collect bills sent to them for that purpose. They provide funds to meet bills falling due. They buy or sell international securities for clients. They pay for such securities, make advances on them, ship them or hold them on client's account as may be desired. This has become an enormous business with such banks as the Societé Générale, the Credit Lyonnais, the Comptoir Nationale d'Escompte de Paris, the Deutsche Bank, etc. It is through institutions like these that inter-bourse operations are chiefly carried on between London, Paris and Berlin. They deal quite as freely in Kaffir shares and American railroad stocks as in French rentes or German threes.

The International Movement of Securities.

One's first impression of foreign bills is that they originate chiefly in commercial transactions, but these are only one source and not the most important. Another that comes less under public notice and is consequently less appreciated is the movement of international securities. A third is banking business pure and simple—the transfer of money from one country to another for investment or by way of loan or on personal letters of credit. Private capital is continually shifting about for reasons of its own. Much

larger transfers of a similar kind are always going on in the region of high finance. Loans, public or private, are being daily negotiated by the finance houses which keep needy governments on their legs and supply trust mongers with the small percentage of cash they mix with their gas.

Ordinary minds can hardly hope to follow the giddy flights of these empyrean financiers. Even the lower levels of the foreign bill market are sufficiently overwhelming in the stupendous amount of their turnover. The mere number of the institutions engaged in the business suggests a high aggregate capital. Each of the 204 domestic banks in the United Kingdom as well as of the 1,070 agencies of provincial, colonial and foreign banks established in London has a certain amount of capital. It may vary from a few thousand pounds up to forty or fifty millions. Whatever it is, London has, as it were, the call of it for the foreign bill market. Every obligation incurred there must be met punctually no matter what may happen elsewhere. London engagements have, in fact, to be considered before local ones. A large margin has to be maintained against them and this brings to Lombard Street vast quantities of foreign money. Apart altogether from the direct loans received from Paris and the foreign money invested in sterling bills, the working capital of the foreign agencies engaged in the London bill market must be very considerable. It is so much money that Lombard Street has the use of at nominal rates.

Compared with the total resources of the banks and other financial institutions engaged in the foreign bill market, the amount of capital actually invested in foreign bills must be very small. It commands, however, a disproportionate amount of attention and consideration. Mr. Inglis Palgrave has made a very interesting estimate of the resources of the several classes of banks carrying on business in London either directly or through agents. The totals arrived at are as follows:

35 British banks with London offices	£792,200,000
169 Provincial banks with London agents	258,000,000
Total British	£1,050,000,000
39 Colonial banks with London offices	£315,959,000
53 Colonial banks with London agents	121,478,000
Total Colonial	£437,387,000
55 Foreign banks with English offices	£590,077,000
876 Foreign banks with English agents } 44 Foreign banks without agents in England }	2,500,000,000
	£3,090,077,000
Summary:	
British banks	£1,050,000,000
Colonial	437,387,000
Foreign	3,090,077,000
	£4,577,464,000

The above 2,500 millions for foreign banks with agents in England is on the face of it a rough approximation, but Mr. Inglis Palgrave may be trusted to have come as near the actual figures as it is possible for any one to do. His grand total of 4,577 millions sterling gives us a very impressive idea of the funds available at the chief banking centres of the world for commercial and financial operations. Not a tithe of it is ever needed at any one time in the foreign bill market, but the whole, 4,577 millions sterling stands behind these bills as an ultimate reserve. Foreign bills have no preferential claim on a single penny of these huge assets, but the fact that they are falling due every business day in the year and that the machinery for collecting them when due is perfect, gives them an obvious advantage over any other conceivable claim on the 4,577 millions.

We have thus two very great safeguards for the safety of the foreign bill market in London—first, the magnitude and variety of the banking interests engaged in it; second, the huge banking fund that it has to draw upon. But London has not left it to depend on these two safeguards, however strong. It has provided internal as well as external securities for it. By a continuous process of selection foreign bills are sifted until they rise from the

storekeeper's note of hand up to the finest bank paper. The storekeeper's note of hand may be discounted at the local bank. The local bank draws on its correspondent in the nearest city. The city bank draws on New York, and the New York bank arranges with a London bank to accept for it against cover. It is only the final bill of the series drawn on and accepted by the London bank that gets into Lombard Street, the highest stage of the foreign bill market.

As these bills improve in quality the rate of discount on them declines. The storekeeper may be charged six or seven per cent. on his note of hand, while the draft on the London bank into which it ultimately evolves may be readily discounted at two per cent. The current rate for bank bills in Lombard Street (December, 1904) is 2 15-16 for three months and 2⅞ per cent. for six months. These are comparatively high rates, and the new year may see much lower ones. A temporary return to the homeopathic rates of 1896 is in fact anticipated by some Lombard Street authorities.

The evolution of a six per cent. storekeeper's bill into two per cent. bank paper is, needless to say, a very interesting process. It is one of the triumphs of banking science, and London may fairly claim a considerable share of the credit for it. Every bank clerk has heard how bills of exchange were developed in the Middle Ages by Jewish and Lombard money-lenders. But these Jewish and Lombard bills contained only a very crude germ of foreign exchange as it now exists. The latter is a creation of the nineteenth century, and it has made greater progress in the lifetime of the present generation than in all previous history. Till the beginning of last century foreign exchange was geographically limited to Europe and the United States. It was hardly known in the Far East though Europe was already doing a considerable trade both with India and China.

In the time of Warren Hastings, merchants and other civilians in India were often reduced to great straits for remittances. Home Bills on London could only be obtained as a great favor from the Company and failing them the only other sellers were the French and Dutch merchants. They generally demanded exorbitant rates, and when war and other risks had been taken into account the buyer might find that he had a poor bargain. In desperate cases silver, diamonds and other light wares were shipped home at the risk of the remitter. A loss of twenty or thirty per cent. was almost certain to be made on such shipments, but there was no alternative. In later years a roundabout channel of remittance was opened up via Canton. Money was sent there from India to buy bills on Europe from the Canton merchants.

Vast Financial Transactions Carried on in London.

Today there is hardly a corner of the globe where a bill on London cannot be purchased at a moderate rate of exchange. All the principal money centres in the world can in addition remit to London by telegraph. Conversely London can transfer money to almost any part of the world by post or telegraph. Lombard Street supplies foreign exchange to suit every possible requirement—instantaneous, at sight or at sixty days. At the shortest notice any amount of money can be transferred through London from one country to another. Trade balances can be settled, gigantic operations in international stocks can be liquidated, government loans can be raised or paid off, wars can be financed, and liabilities of all kinds between nations can be adjusted at this international clearing-house as easily as City bankers clear their checks. A process far too vast and intricate to be measured by statistics or to be even conceived by the ordinary mind is carried on with the regularity of clockwork. And what enables London to do it?

Not so much by any special virtue or power of its own as the co-operation of all the other partners in the process. The foreign bill market is not a local or even a national institution; it is international. It has grown up in London simply because London was central and in other ways well suited for it. Local conditions, of course, have also been favorable. It owes much to the fact that the accumulation of banking capital began in England many years ahead of other countries, and to the peculiar form of these banking accumulations which renders a large portion of them always available for dis-

counts; to the special character of English joint-stock banks, which are few and powerful, while in most other countries banks are small and numerous; to the world-wide credit and prestige which these great English banks enjoyed, and last, though not least, to the skill with which the foreign bill market has been conducted.

Foreign Influences Preponderant.

Without the slightest exaggeration it may be said that there is more brain and intellect exercised in the foreign bill market than in any other branch of business. An English writer may say this quite impartially, because it is foreigners who will benefit most by the compliment. Financial experts of all races and nationalities flock to Lombard Street. They are past masters of all the intricacies of agio and cambistry. Personal aptitude and experience are combined in them with the inherited genius of many generations. When, as in many cases, they happen to be Jews, the power of each individual is increased tenfold by the fraternity which distinguishes the chosen people in all matters of business and particularly in finance. The Jewish bankers and exchange brokers in London are members of an invisible and intangible but no less real syndicate, which has its branches in Paris, Berlin, Vienna, New York and every city where money-lenders can make a living. Even among the Gentile members of the foreign bill market, there is a certain amount of free-masonic brotherhood throughout Europe and America. Briefly, international finance is a close preserve of international experts.

The position of London in relation to the foreign bill market is thus rather peculiar. The greater part of the actual handling of foreign bills has always been done by foreigners. At first it was done through the London banks as agents for the foreign banks with whom most of the bills originated. Latterly, since the foreign banks opened branches or established agencies in London, they have done even the financing themselves. London banks nowadays may discount foreign bills or hold them for their own use, but they take them only as they would take domestic bills. They have little or no interest in foreign exchange for its own sake. So far as they are concerned there is too much truth in the sarcasm that London has become the mere ground landlord of the foreign bill market.

At one time London supplied the bulk of the funds with which foreign bills were discounted or carried. It has ceased, however, to merit even that passive distinction. The foreigners who create most of the paper now furnish a large portion of the funds with which it is financed. In other words, they are making themselves more and more independent of Lombard Street. This is done in a variety of ways. The great foreign banks which have branches in London devote a considerable amount of their capital to London business. Smaller foreign or colonial banks with agents in London have to provide adequate cover for their drawings. In addition to these funds which are more or less permanent, temporary importations of foreign capital arise through foreign banks and finance houses taking up sterling bills for investment or placing money on loan in Lombard Street.

These temporary importations of money are of course largest when interest rates are higher in London than on the Continent. That has been the case from the beginning of the Boer War until lately, but the tide now appears to be turning. Rates may soon be as low in Lombard Street as in Paris and then much of the fifty to a hundred millions sterling of foreign capital held in London may return home. But a great deal of it must always remain here no matter what London rates may fall to. So long as foreigners do most of the exchange business they will have to find the capital to carry it on with. Now that they have surplus capital of their own they will use it in preference to borrowing from the London banks as they did formerly. Paris especially, now that it suffers from a plethora of money, must find employment for it abroad.

The Relation of Paris to the Exchange Market.

The relation of Paris to the foreign bill market is just the reverse of that of London. It is not an important creator or acceptor of such bills, but it is

an active buyer and a large holder of them. It may seem a peculiar taste to prefer paper which seldom yields more than three per cent. and sometimes less than two per cent. to more profitable investments, but this is a matter in which French capitalists have a very limited choice. The supply of domestic securities does not keep pace with the flood of domestic savings, and an outlet for the excess must be sought abroad.

This subject has been treated in a masterly way by M. Paul Leroy Beaulieu in recent numbers of the "Economiste Francais." The increasing scarcity of domestic investments in France has moved him to inquire into the causes of it. He discovers and proceeds to describe them: First, the steady accumulation of French savings; second, the stationary character of the population; third, the comparative smallness of the mineral resources of the country; fourth, the unfriendly attitude of the public powers toward industrial enterprise.

As regards thrift, M. Leroy Beaulieu draws a very significant and I fear only too just comparison between France and England. He says:

> "The taste and the habit of saving may have diminished among certain sections of the (French) population—the rural classes, for instance. It continues, however, very widely extended in the nation at large. Notably among the rich bourgeoisie—a class solid, calm and serious—there are still many families who make a rule never to spend more than two-thirds of their income, sometimes not more than half of it. * * * At present France is without doubt the first manufacturing capital in Europe, if not in the world, the United States excepted. Even that exception may not be necessary. The taste both ardent and constant for saving is especially developed in the Latin races. The Italians and Spanish possess it in almost as great a degree as ourselves, and if they save less in absolute amount it is because their income is infinitely smaller than ours. France, we repeat, is the chief manufactory of capital in Europe. It is indisputable that England has for several years past sensibly declined in this respect. The embarrassment in which to the astonishment of the world and especially to the French people the Boer War has plunged her and which after two years of peace she has not yet completely overcome, testifies that the flow of saving is less abundant and less regular among our neighbors than it is with us."

Unfortunately, the French people, according to M. Leroy Beaulieu, are less successful in the investment of their savings than in accumulating them. Owing to the causes indicated above they have of late years developed few new industrials. Electric lighting and motor cars are the only important exceptions that suggest themselves. Frenchmen now do very little railway building either at home or abroad, but their more active grandfathers financed, if they did not actually build, some of the earliest railway systems of Europe. They opened up Spain, Portugal, Italy and Turkey, besides helping to exploit Austria. The financial results were not as a rule encouraging and that may account for the subsequent indifference of French financiers to railway enterprise.

Under the Third Republic French investments have taken new directions. From 1871 onward they favored Government stocks, giving a steady return of three and one-half to four per cent. Of these France has now a very promiscuous collection—Scandinavian, Russian, Argentine and Brazilian. When the industrial boom of five or six years ago sprung she made a rather unfortunate choice of spheres of operation. She launched into Russian collieries, ironworks and petroleum fields with more zeal than discretion. M. Leroy Beaulieu will not admit that these have done badly on the whole. Doubtless many of them proved bad, but most of these, he says, fell to the Belgians.

In one way or another Russia has got hold of nearly three hundred millions sterling of French money most of which might have been better employed at home. The same may be said of the sixty millions which French speculators have sunk in Kaffir mining shares. At one time the outlook for French investments in Spanish railways was by no means hopeful, but it has improved considerably of late. The one bright particular star in the Spanish group is the Rio Tinto mine which, thanks to the philanthropic efforts of the American Copper Ring to maintain artificial prices, is now paying handsomely. Its shares are nearly all held in Paris. In other parts of the world France, like Dogberry, has had her losses; but, if we may credit a semi-official report lately published on her investments abroad, there is still

a very respectable total left, namely, 1,194 millions sterling. This valuation caused some surprise among English statisticians, for it placed France much nearer the English level than was at all welcome to insular pride.

British Capital Invested Abroad.

We Britons have hitherto flattered ourselves that we stood far ahead of all other countries in respect of foreign investments. The greatest interest is now taken in all data bearing on that question. It is a favorite topic with Sir Robert Giffen and the Inland Revenue Commissioners throw whatever light they can on it in their annual reports. The income tax collected on foreign and colonial securities and on other forms of income earned abroad is so far the only tangible clue we have, and even it has a large percentage of estimate. In their report for the year ended March 31, 1904, the Inland Revenue Commissioners give the amount of profits from abroad as £63,828,000. This capitalized on a four per cent. basis would represent 1,595 millions sterling, as against the French 1,194 millions. The latter, moreover, includes only investments, and appears to take no accounting of French money employed abroad in banking and financial operations. If we allow for that fifty millions sterling, the French total will approach still nearer the English.

Very probably the French figures will be questioned by English statisticians, but in any case the comparison is too narrow to be a fair test of the wealth of the two countries. A much broader one is furnished by their valuations of successions. Those declared in France during the year 1903 aggregated 4,924 million francs or 197 millions sterling. Those reported by the English Commissioners of Inland Revenue for the year ended March 31, 1904, amounted to 269 millions sterling. French successions on this basis of comparison would seem to be about seventy per cent. of the English. French investments abroad we have already found to be seventy-five per cent. of the English—a very remarkable coincidence, which renders the figures more credible than they would be at first sight.

Decline in English Savings.

It may be further noted what a striking confirmation these figures give to the contention of M. Leroy Beaulieu, that the French are the most saving people in the world, and France the chief manufactory of capital, with the possible exception of the United States. Incidentally they enable us also to test his statement that the savings of the English people are on the decline. It is a curious fact that the total capital on which estate duty was paid last year was fully six millions sterling less than in the preceding year. The respective amounts were 269 millions sterling in 1903-4 and 275 millions in 1902-3. The decline applied all round, to realty and personalty alike, the former having shrunk from £64,436,000 to £61,255,000 and the latter from £211,148,000 to £208,146,000.

The wealthy classes in England make no secret of the fact that many of them have been outrunning the constable for years past. Many others who are not spendthrifts have been compelled by adverse circumstances to trench heavily on their capital. As for the working classes, they work less and less steadily every year, spend more on holidays and amusements and live more from hand to mouth. It is very questionable if their aggregate savings today are as large as they were a generation ago when wages were thirty-five per cent lower.

These evil omens as to the future of England have passed the theoretical stage and are giving very practical evidence of themselves. They undoubtedly have some connection with the feeble demand for investment securities of which the London Stock Exchange has complained for two or three years past. They may even have some relationship with the falling off that has been noticed lately in bank deposits. In the first half of the current year (1904) the London banks instead of making a considerable addition to their deposits as they usually do, lost six or seven millions sterling, their total having declined from 450 to 443 millions.

No doubt England is having a dull time, and the above decreases may be only temporary. None the less do they deserve to be carefully investigated,

for if allowed to continue unchecked they might not require long to produce a bad effect on the financial situation in London. Lombard Street is no longer so prosperous and self-dependent as it was. It has often been pinched before, but the oldest man in it does not remember such a prolonged and continuous pinch as it has gone through lately. The Boer War is too old a matter now to have all the blame laid upon it. There must have been and may still be other causes at work in sweeping the money market so bare of supplies as it has generally been since 1898.

Possible Menaces to London's Financial Supremacy.

The recent abnormal condition of the London money market demands greater consideration from the responsible authorities than it has yet received. It is not a good sign that the responsible authorities rather resent than invite criticism. As for any criticism they have to offer themselves three-fourths of it simply rings the changes on gold reserves and other fossilized problems of last century. The one vital question of the hour. How to maintain an ample working capital for the great variety of banking business that has nowadays to be transacted in London, they have still to face. It does not seem to strike them as strange or disquieting that their money market grows more with the help of foreign than of British capital. They frankly admit that the recent pinch would have been much worse but for the fifty millions or more of French money that was put in sterling bills.

I do not suggest or even imagine that there is any fear of London losing control of the international money market. Reasons of a permanent and substantial kind have already been given for doubting if it could be captured by any other country. But though it may be virtually secured to London, there may be the greatest difference in result between carrying it on efficiently or the reverse. Both Paris and Berlin, however conscious they may be of the natural disadvantages they labor under as compared with London, may be tempted by a decline in the banking resources or the banking activity of London to divert all they can of its foreign exchange business. If they could demonstrate that they are growing more rapidly than London in liquid wealth and other requisites of an international money market, their competition might become embarrassing.

New York as a Competitor in International Finance.

But a more dangerous competitor than either of them is looming on the horizon—New York. If rapid increase of national resources, growing intensity of individual effort, and industrial development that literally knows no bounds, were the only essential conditions of a great money market, New York might be almost within reach of it. But there are other qualifications which though less valuable in themselves are equally indisputable. The commercial conditions are as important as the financial ones. Some English experts set them even higher. In relation to these New York is less favorably situated than London.

A chief factor in the London money market is the huge imports of the United Kingdom, which completely overshadow the exports. In 1903 they were valued at 543 millions sterling, against 360 millions of exports. Fully ten millions sterling per week of imports—a million and a half per day Sundays included—is an enormous mass of commercial liabilities to have to draw against. But with the United States the balance of trade is generally very much the other way about. Its imports in 1903 amounted to little more than two-thirds of its exports—1,025 million dollars against 1,420 millions. The American balance of trade was 394 million dollars in favor of the country, while the British was 182½ millions sterling or 900 million dollars against the country.

Two commercial positions so diametrically opposed to each other cannot be adjusted by the same kind of a money market. New York has a large surplus to draw for on foreign buyers, while foreign sellers have a much larger surplus to draw for on London. The natural role of New York is to create bills and discount them in Europe. The natural role of London is to accept bills from abroad and finance them in Lombard Street. Foreign

Bank seized the opportunity to reduce its capital to more reasonable proportions and to close two of its unprofitable branches. The efforts to get rid of the Governors were not so successful, these officials still remaining, although the salaries of the positions have never been increased. But in 1830 the Bourbons again fell from power, and in the confusion which followed, the Bank was the bulwark of all legitimate interests.

Profiting by experience, and reaching out to become the Bank of France instead of merely the Bank of Paris, five new branches in as many cities were in successful operation by 840. Seven years later, the railroad building mania which had smitten Great Britain crossed the Channel, and the Russian Government earned the lasting gratitude of France by helping her Bank out of a decidedly tight place.

The events of 1848 burst forth suddenly, darkening the political horizon and portending financial disaster. As in a previous revolution a Napoleon emerged from the confusion, so now another Napoleon, the Third, so called, brought order out of chaos, and France was again in repose. The second Empire, in spite of its inherent weaknesses, was still a brilliant period for France, and one of prosperity and growth for the great bank. It had now a monopoly of the note issues, and by far the largest share of the banking business of the country. With its gathered resources, both moral and material, it was enabled to pass successfully through a crisis without parallel in the history of any National bank.

War between France and Germany was declared July 15, 1870. The shouts of "On to Berlin" had hardly died away along the Paris boulevards. when three invading armies had crossed the Rhine. Metz, Gravelotte, Sedan, followed each other in swift and terrible succession, Napoleon was a captive, and the city of Paris was encircled by Von Moltke's victorious legions. The Bank had already advanced 165 millions to the Government, but the Committee of Defense, harassed beyond endurance, called for more. The reply of M. Cuvier on this memorable occasion ought to place the name of the Under-Governor high on the roll of the world's patriotic but prudent bankers: "I do not," he said, "misunderstand your terrible situation. I know that you need money; but consider that to-day the Bank is the only and last resource. Exhaust that, and nothing remains. Notwithstanding our misfortunes, the signature of the Bank of France is still honored abroad. Make use of it. Undoubtedly, you will have to pay exorbitant rates, but that is preferable to ruin."

These counsels were listened to with but scant patience by Gambetta and his associates, but in the end good sense prevailed, and a loan of 250 millions was negotiated in London. M. Cuvier's resolution in dealing with the provisional government was well matched by the mingled tact and firmness of his colleague, Marquis de Ploéve, when confronted by the demands of the terrible Commune whose bloody standards were now raised over the ruins of the Empire. On March 18, 1871, the Bank, with 600 millions in its vaults, was left isolated, with practically no protection against one of the most desperate and formidable insurrections of modern times. Ably assisted by the Bank's clerical and official force, the Marquis made a bold stand against the revolutionary hordes who hungered for the Bank's treasure. Fortunately, one of their leaders, a certain Citizen Beslay, with more sense, and certainly more honesty, than his fanatical associates, joined with the Marquis to prevent a wholesale rifling of the Bank's resources, so that only seventeen millions were extracted from its vaults.

This is the culminating period of the Bank's history. In saving itself, it may almost be said to have saved France. Maintaining its own identity, always the servant, but never the slave of the State, it was a commercial fortress which never lowered its flag, responded to every reasonable demand for assistance, lent 1,530 millions to the Government, and never was in a position when it did not have money to lend. In 1882, and again in 1889, it came to the rescue of the business interests of the nation when they had been jeopardized by over-speculation.

Coming down to to-day, with its more prosaic but not less important requirements, we find the Bank fitting into and regulating the French financial system with great exactness. The Bank of France is owned entirely by

its shareholders, the Government having no proprietary interest whatever. Besides the main office at Paris, there are 176 branch and auxiliary offices. Every important commercial center has at least one branch, while in the smaller communities and what are called "attached towns," discount bureaus are opened where loans may be obtained. The capital of the Bank is 182,500,000 francs ($35,222,000) in shares of 1,000 francs each, individual shareholders being entitled to but a single vote in the annual General Assembly which meets to listen to the report, and name the Regents and Censors who exercise a supervisory power over the management. The direct administration of the Bank's affairs is in the hands of the Governor and the two Under-Governors, who are appointed by the Republic. The President of the Republic has also the privilege of nominating the provincial managers, although as a matter of fact these posts are usually filled by the administration of the Bank.

The distinguishing feature of the Bank of France is its liberality to those of moderate means. Any respectable person, tradesman or otherwise, may open an account, with the possibility of obtaining advances. Almost any fairly good paper will be accepted, provided it has three names and not over ninety days to run. The rate is seldom more than a fraction above three per cent. The report of 1898 showed over 6,814 borrowers of less than 500 francs ($100) each, the minimum loan being 250 francs ($50). What other great bank would trouble itself with $50 borrowers! But this bank does, spreading out its network of branches and discount bureaus for the very purpose of catching these small fish, with the characteristic thrift of the French people who live upon what other nations throw away.

Nowhere, save in France, could such a large number of small and perfectly solvent borrowers be found. No people better understand the secrets of saving and thrift, or the art of building a fortune out of francs and centimes than your revolutionary, unstable, pleasure-loving Frenchman. And these are the people that make possible the great Bank whose specie holdings are nearly four times in amount those of the Bank of England.

Three lines of policy, consistently adhered to, have contributed to the strength and permanency of this great institution, which has outlived five revolutions and stands to-day one of the world's greatest financial fortresses: first, the Bank of France is a Government bank, backed by the moral and financial resources of the Republic; second, it is, in the best sense of the word, a bank of the people, meeting their wants, and precisely adapting itself to the peculiar industrial thrift of the French nation; third, and perhaps the most important of all, the Bank is independent of both President and people. Confronted by the terrible Napoleon or the domineering Gambetta, whether in the throes of a desperate revolution or a disastrous foreign war, the Bank has resolutely maintained its integrity, and amid social anarchy and dissolving political systems, proved itself the one sure hope of both Government and people. JESSE C. JOY.

A ONE-MAN BANK.—"The Bulletin," issued by the United States Fidelity and Guaranty Co., of Baltimore, recently contained the following:

"In view of the many banks which have been wrecked as the result of one-man power it would seem that the unwise and unbusiness-like practice of placing in any one individual's hands all the authority and responsibility of financial institutions should have been discontinued long ago. Modern banking demands well-regulated safeguards, such as permitting each department to handle only a certain amount of money daily; the rotation of employes in the performance of the duties of the various positions in a bank; the periodical audit of accounts by the directors; the enforced vacation of employes, so that their accounts may be examined in their absence; and the visitations of bank examiners who thoroughly inspect and check up all accounts.

"In many banking institutions no transaction can be authorized except by the executive committee of the board of directors or by two officers, the joint signature being required in every instance.

"Apart from the moral weakness of mortals when subjected to great temptation, the frailty of human judgment in deciding questions of importance should, we think, deter bank directors and stockholders from entrusting their investments to the absolute control of one man, no matter how great his ability or how exalted his standing in the community."

BANKING LEGISLATION IN NEW YORK.

There are several bills pending in the New York Legislature for additional regulation of the banking business. One of these bills provides:

> "Chapter 689 of the Laws of 1892, known as the Banking Law, is hereby amended by adding thereto a new section to be known as Section 25-a, and to read as follows: §25-a. No corporation to which this chapter is applicable shall receive, or at any time have, on deposit in the aggregate more than eight times the amount of its capital stock actually paid in and its surplus. Any such corporation having on deposit a greater amount than herein fixed at the time this act takes effect shall, within thirty days thereafter, reduce its deposits so as to comply with this act.
>
> "§2. This act shall take effect immediately."

Taking the aggregate figures of the banks and trust companies of the State, there does not seem to be any present necessity for such a law. On December 8, 1904, the discount banks of the State of New York reported capital, surplus and profits amounting to $63,080,290, while the deposits were on the same date $434,297,618. On January 8, 1905, the trust companies of the State reported $209,188,598 capital, surplus and profits, while the deposits were $1,127,627,102. It will be seen that the deposits in each class of institutions is less than eight times the capital, surplus and profits. Of course, there are many banks that would, however, either have to reduce their deposits or increase their capital if this bill becomes a law.

Apparently a large capital is an added protection to depositors, and usually this is true. But not infrequently it is found that where there are two banks in a town the one with the smaller capital will have the greater amount of deposits. What may this prove? That the bank of largest capital, though nominally stronger, may be really the weaker of the two institutions, and, furthermore, that the bank with the most deposits has a capital not shown directly in its balance-sheet—the capacity for successful bank management.

Primarily, the safety of bank deposits will be determined by the character of the assets. The Savings banks of New York have no capital at all. Are there any safer banks in the United States? Absolute safety—as near as the absolute can be attained—has been assured in this case by strict limitation of the character of the investments. It is, of course, not possible to so limit the use of the funds of the commercial banks; but with the existing laws there seems to be an ample margin of security. We should not like to oppose anything calculated to improve the already high character of the banks of this State, but such a law as this bill would enact seems unnecessary. It would hamper the State banks in competition with National banks, which are not so restricted, and would tend to reduce the moderate profits the banks now earn. The practical operation of the law cannot be dwelt on, but it is conceivable that it might have some curious consequences. For instance a bank having an aggregate capital and surplus of $100,000, and deposits of $800,000; Mr. Rockefeller or Mr. Morgan comes in to deposit $100,000 which the bank would be compelled to refuse! It could not immediately increase its capital and surplus, though it might have reduced its deposits; but that could not have been of much benefit, and then it was not known in advance that so large an amount was to be offered.

The effect of a law of this character upon the lending operations of the banks would also be important, for the deposits, as is well known, largely represent credits arising from loans.

In view of the present sound condition of the banks of this State, it is difficult to understand why such a bill should be brought forward. The

delicate mechanism of banking should be interfered with as little as possible, unless there is some adequate reason for such interference.

Another bill amends the law relating to loans which may be made to one person, company, corporation or firm. The bill makes the law applicable to banks and trust companies, and provides that loans to any person, company, corporation or firm shall not exceed one-fifth part of the paid-up capital of such trust company or bank—the present law permitting such loans to the extent of one-fifth of capital and surplus. The law now permits loans to one person, etc., and the discount of bills of exchange, to an amount not exceeding one-half the capital and surplus; the bill under consideration changes this by limiting such loans to one-half the capital stock, and providing that when they exceed one-fifth the capital the whole of such loans must be secured by collateral worth at least fifteen per cent. more than the amount of the loan.

The prohibition of loans to officers and employees of Savings banks without the consent of the trustees is omitted, as it is superfluous. Savings banks have no authority to make such loans anyway. But the restriction is continued with reference to other banks.

A bill has also been introduced limiting loans to one person, etc., to one-tenth of capital and surplus, and restricting collateral loans to forty per cent.

Examinations by directors are provided for by the following bill, introduced by Mr. Stevens:

"It shall be the duty of the board of directors of every bank and trust company at least twice a year to examine, or to cause a committee of at least three of its members to examine, fully into the books, papers and affairs of the bank or trust company of which they are directors, and particularly into the loans and discounts thereof, with a special view of ascertaining the value and security thereof, and of the collateral security, if any, given in connection therewith. Such directors shall have power to employ such assistance in making such examination as they may deem necessary. Such examination shall be made and completed, and a full report thereof in writing, sworn to by the directors making the same, filed in the Banking Department in the months of February and August of each year. Such report shall particularly contain a statement of the assets and liabilities of the bank or trust companies examined as shown by the books of the bank or trust company, together with any deduction from the assets, or addition to liabilities, which such directors or committee, after such examination, may determine to make. It shall also contain a statement, in detail, of loans, if any, which in their opinion are worthless or doubtful, together with their reasons for so regarding them; also a statement of loans made on collateral security which in their opinion are insufficiently secured, giving in each case the amount of the loan, the name and market value of the collateral, if it has any market value, and, if not, a statement of that fact, and its actual value as nearly as possible. Such report shall also contain a statement of overdrafts, of the names and amounts of such as they consider worthless or doubtful, and a full statement of such other matters as affect the solvency and soundness of the institution. If the directors of any bank or trust company shall fail to make, or cause to be made, and file such report of examination in the manner and in the time specified, such bank or trust company shall forfeit to the people of the State one hundred dollars for every such day such report shall be delayed, which penalty may be recovered through an action brought by the Attorney-General against such bank or trust company, in the name of the people of the State of New York. The moneys forfeited by this section, when recovered, shall be paid into the State Treasury, to be used to defray the expenses of the Banking Department.

This act shall take effect immediately."

Evidently the purpose of this bill is to make bank directors direct, and to prevent them, in case of failure, from setting up the plea that they were ignorant of the bank's condition. Objection has been made, that while many bank directors are good judges of commercial paper, they have not the special knowledge of bank accounting that would make these examinations valuable. This objection is met in the bill, provision being made for the employment of such assistance as may be necessary.

The examination of a bank's condition twice a year by a committee of

directors would seem to be a reasonable requirement, and it is believed that the result would be of benefit to depositors and shareholders.

Additional official inspection is contemplated by a bill which requires that the Superintendent of Banks shall make an examination of banks and trust companies twice a year, instead of once a year as required by the law now in force.

The necessity for any such legislation is very doubtful. At present the Superintendent may make an examination at any time he sees fit, which would seem to furnish ample authority for as frequent inspection as the public interests may demand. For most of the banks the added inquisitorial powers would be an entirely useless expense.

THE CRAZE FOR MORE LEGISLATION.

Value of Wise Laws Well Administered.

"The principles which Lincoln applied to the solution of the problems of his day are those which we must apply if we expect successfully to solve the different problems of our own day—problems which are so largely industrial. Exactly as it is impossible to develop a high morality unless we have as a foundation those qualities which give at least a certain minimum of material prosperity, so it is impossible permanently to keep material prosperity unless there is back of it a basis of right living and right thinking.

In the last analysis, of course, the dominant factor in obtaining this good conduct must be the individual character of the average citizen. If there is not this condition of individual character in the average citizenship of the country all effort to supply its place by the wisest legislation and administration will in the end prove futile. But given this average of individual character, then wise laws and the honest administration of the laws can do much to supplement it. If either the business world or the world of labor loses its head, then it has lost something which cannot be made good by any governmental effort. Our faith in the future of the republic is firm, because we believe that on the whole and in the long run our people think clearly and act rightly."—(From the address of President Roosevelt before the Union League Club, Philadelphia, January 30.)

Overrating the Efficacy of Legislation.

In an address delivered at a recent meeting of the Alumni Association of Williams College, at Delmonico's, John G. Milburn, Esq., said:

"We are what we are as a result of slow and silent progress working through the ages. Results never come in a haphazard way, but from a process of education, discovery and reflection. They come in conformity with natural law. The law which seeks quick results is bound to be futile.

Every statute book is a charnel house of acts intended to accomplish results of which they failed. Every Legislature busies itself making laws for something for which former Legislatures made unsuccessful laws.

The efficacy of legislation is vastly overrated. It can do little more than regulate conduct in limited areas. It only diverts attention from the only true agencies of improvement—virtue and intelligence.

If the energy devoted to discussing legislation were devoted to discovering the causes of evils, what might not be accomplished? The demagogue and charlatan are all marching under the same banner, however different may be their pet remedies. The sane, intelligent, sober man stands to one side and is scorned. But the victory will be with him if the colleges and universities do their work well."

Legislation as a Panacea.

Legislation has come to be the grand panacea that is to be invoked to cure all the ills that flesh is heir to. Is there selfishness or injustice? Make a special law against it! But these things come from within men, and nothing on the outside can cure, but only whitewash them. Is there too much or too little competition? Prescribe just the right amount by law! Are times hard? We will not work a little harder, or economize a little more, but we will make them good by law! Is money tight? Start the presses and make plenty by law. Is the millennium slow in coming? Force it on by law! An able writer characterizes the phenomenal structure of legislation as the modern tower of Babel. The statute-book is expected to outwit evolution and overtop moral and natural forces. Through the sentimental vision of the theorist, the State, which is the all-comprehensive agency for regulation, will be a perfect, omnipresent, omnipotent instrumentality, able to cognize every detail and impose universal equity and righteousness.—Arbitrary Price-Making through the Forms of Law, by Henry Wood.

Moral-Yearning Laws.

"In reality there should be two kinds of statute books. One should be the moral yearning statute book in which could be recorded the great but non-enforceable ideals and the other a book in which the statutes that can be enforced should be written."—District Attorney Jerome of New York.

Law Enough Here.

Replying to inquiries from the Ohio Shippers' Association, Attorney General Wade Ellison has rendered an opinion in which he holds that the State Railroad Commissioner has ample authority under existing laws to investigate claims made by shippers of discriminations in freight rates on the part of railroads. The attorney general says: "There is law enough now for any citizen to get a square deal from the railroads. He can do both under the statutory and common law of Ohio. There is no need of an Ohio citizen applying to the Inter-State Commerce Commission for relief from discriminations in freight rates."

The Growth of Trust Companies.—W. M. Van Norden, President of the Van Norden Trust Co., New York city, thus sums up the growth of trust companies, in the "New York Times" Annual Financial Review:

"The growth of trust companies in this country has been remarkable, and is of itself a sufficient testimony to their popularity and their necessity in the public economy. During the last ten years trust companies in New York City have grown from twenty-seven to forty-seven, while National banks have decreased from forty-nine to forty-one. Ten years ago the aggregate capitalization of the trust companies of this city was $26,400,000, and of the National banks $50,700,000 Now the trust companies are capitalized at $54,900,000 and the National banks at $110,300,000. The growth in deposits, however, is the most remarkable, trust companies going from $260,000,000 to $875,000,000, while National banks have increased from $550,000,000 to $1,100,000,000, the trust companies growing 240 per cent., as against 100 per cent. in National bank growth.

We witness a similar condition in other large cities, some of them showing almost as rapid growth as in New York, while in many places, especially in the State of Massachusetts, many National banks have dropped their charters and reorganized as trust companies.

Doubtless time will demonstrate the necessity for changes and added restrictions, but at presént we believe that the trust companies, in safety and ability of management, are on a par with the National banks, which is saying as much in their favor as words can imply."

Uniform Warehouse Receipts.—Through the efforts of the American Warehousemen's Association, the Commissioners on Uniform State Laws will undertake the preparation of a code on warehouse receipts. This matter is one of importance to banks, and doubtless when the code is ready for discussion and adoption, the bankers will co-operate to secure its adoption as they have done in regard to the Negotiable Instruments Law.

CONSOLIDATION OF GERMAN BANKS.

It may be of interest to note the great changes which have taken place in the banking business of Germany during the last few years, owing to the concentration of a large number of the leading financial institutions. The characteristic feature is that the capital stock of the leading banks is increasing steadily, the capital of many smaller banks being put under their control for business purposes, all banks so united or consolidated participating in the entire business of the combine, thus enlarging their fields of operation. For this reason, there exist to-day only a few provincial banks that are doing business independently of others, while the most belong to one or other of the groups hereinafter mentioned.

The first group, under the leadership of the Deutsche Bank, Berlin, consists of the following banks:

Capital Stock of Group of Fourteen Banks Under the Leadership of the Deutsche Bank, Berlin, Germany.

Depository.	Capital stock.
Deutsche Bank, Berlin	$42,840,000
Rheinische Kreditbank, Mannheim	15,708,000
Bergisch-Märkische Bank, Elberfeld	14,280,000
Essener Kreditanstalt in Essen	9,520,000
Schlesischer Bankverein, Breslau	7,140,000
Hannoversche Bank, Hanover	5,355,000
Duisburg-Ruhrorter Bank, Duisburg	2,856,000
Essener Bankverein	1,775,000
Westfälischer Bankverein, Münster	$1,666,000
Süddeutsche Bank in Mannheim	1,428,000
Mannheimer Bank	238,000
Siegener Bank für Handel und Gewerbe	952,000
Emder Bank in Emden	238,000
Oldenbürgische Spar und Leihbank	952,000
Total	$104,948,000

To obtain a correct idea of the amount of capital at the disposal of this combine, it must be borne in mind that a large part of the capital stock mentioned is owned mutually. Nevertheless, if the reserve funds are counted in it is safe to say that this group of banks controls over $119,000,000.

The second group of banks so combined is headed by the Dresdener Bank, and is composed of the following establishments:

Capital Stock of Eight Banks Under the Leadership of the Dresdener Bank, Dresden, Germany.

Depository.	Capital stock.
Dresdener Bank	$38,080,000
A. Schaaffhausenscher Bankverein	29,750,000
Rheinische Bank in Mülheim a. d. Ruhr	2,380,000
Mittelrheinische Bank in Coblenz	2,140,000
Westphälisch-Lippische Vereinsbank	1,190,000
Mülheimer Bank in Mülheim a. d. Ruhr	$1,825,000
Märkische Bank in Bochum	1,190,000
Oberschlesische Bank in Beuthen	476,000
Total	$77,031,000

A third group consists of the following banks:

Capital Stock Of Four Banks Under the Leadership of the Darmstadter Bank, Darmstadt, Germany.

Depository.	Capital stock.
Darmstädter Bank	$36,652,000
Breslauer Diskontobank	5,950,000
Ostbank für Handel und Gewerbe	1,904,000
Nordwestdeutsche Bank	$1,190,000
Total	$45,696,000

Still another group, the fourth, is composed as follows:

Capital Stock of Four Banks Under the Leadership of the Diskontogesellschaft.

Depository.	Capital stock.	Depository.	Capital stock.
Diskontogesellschaft	$40,460,000	Barmen Bankverien	$10,971,320
Norddeutsche Bank	11,900,000		
Allgemeine Deutsche Kreditanstalt	17,850,000	Total	$81,181,320

From a list before me, which does not claim completeness, it is shown that during the last three years seventeen banks (stock companies) with a capital of $36,769,096 were absorbed by the process of centralization; and it is expected that other large concerns, among them the Berliner Bank, with a capital stock of $10,000,000, will join the number in the near future.

HENRY W. DIEDERICH, *Consul.*

BREMEN, GERMANY, January 2, 1905.

INSURANCE OF BANK DEPOSITS.

Editor Bankers' Magazine:

SIR: In a recent issue of a New York financial publication, I had an article outlining the advantages which would accrue to banks and the public generally, by the creation of a safety fund for the better security of bank deposits. Statistics were produced to demonstrate that less than six one-hundredths of one per cent. of the deposits in the National banks would be sufficient to pay the estimated deficit in all the banks which failed in 1903, that year being taken for an illustration because the figures for 1904 were not obtainable when the article was prepared.

Criticism of the idea was anticipated, and I was not surprised to find an editorial in THE BANKERS' MAGAZINE for February mildly dissenting from the views presented. It is possible I am assuming too much in believing that the editor of THE BANKERS' MAGAZINE had that particular presentation of the matter in view, but be that as it may, I feel that, contrary to its usual custom, your MAGAZINE has failed in this instance to make out a good case.

In the first paragraph of the editorial referred to, those who favor the establishment of such a safety fund are charged by implication with being believers in paternalism, who seek to shift the responsibility of their business to the Government. With due respect to the writer, I must confess that this sounds like pettifoggery, and it is certainly not argument. My idea, and, I presume, the idea of others who believe in preventing disaster by a lack of confidence among depositors, is not to ask the Government to assume this responsibility, but to enact a law which will require the banks themselves to create a safety fund, making the Treasury Department its custodian. It matters little whether the Department or some strong combination of trust companies is made the custodian of the fund, except that greater confidence would be inspired by the Government being back of the insurance sought. The selection of a custodian is incidental, the principal question being the establishment of a safety fund for depositors. There is no more paternalism in this idea than in the requirement that Government bonds must be deposited for the security of circulating notes.

This idea must not be classed with free silver, Government ownership of railways or asset currency. The strongest advocates of a safety fund of this character are not the followers of populistic vagaries and silver gods, but are men who stood by the gold standard in the West when it meant something to do so; who have given the subject much thought and whose opinions are entitled to respect, even though it is believed in some quarters that no good can come out of Nazareth.

You say that "No one is compelled to deposit in any particular bank or in any bank at all." This is true, but most banks are anxious to in-

crease their deposits, and any amendment to the present laws which would call into circulation the money which fear of banks generally and probable knowledge of the weakness of local institutions keeps locked up in safety-deposit boxes, should be welcomed by broad-minded business men. The panic of 1893 has not been forgotten.

You further say: "It might be said that whoever puts money into a bank which a little investigation would show to be recklessly managed, ought to lose the amount deposited." Without criticising the sentiment of the quotation, how many banks, may I ask, which have proven during the last fifteen years to have been "recklessly managed," were known to belong to that class of institutions before the crash came? How many of them would have given an intending depositor of an enquiring turn of mind, any information as to their real condition? One would suppose from the sentence quoted that when a bank was in danger of failing its officers would immediately advertise that fact to the world, in order that intending depositors might be forewarned of their condition.

In your editorial you admit "that it would tend to business stability if deposits in all banks were made absolutely secure." This being true, why turn down any practicable proposition which might and would accomplish the desired result? Mr. Ridgely's statement that every failure of a National bank is directly traceable to violations of the National Banking Act is not disputed, and your remedy for failures is to enforce the law. Perhaps the editor of THE BANKERS' MAGAZINE will explain how an excess loan made in violation of the law to persons unable to pay can be prevented, when bank officers persist in making such loans frequently to enterprises in which they are personally interested. By the time their action is discovered by the Comptroller of the Currency, the damage is done and the only recourse left is to either close the bank with probable loss to the depositors, or to nurse it along until the loss is made good from the earnings. An assessment upon the shareholders may be made if the bank's capital is impaired, but then the Government has to make the assessment, which is a kind of insurance, and according to THE BANKERS' MAGAZINE this would be paternalism and would be "attractive (only) to those who think the Government ought to relieve individuals of that degree of care and responsibility which ordinarily prudent persons are supposed to exercise in the conduct of business affairs."

The proposed establishment of a safety fund for bank deposits is not intended to punish those banks which "had no hand in the infraction of banking principles" by which others were compelled to close their doors, but is intended to so strengthen all banks in the public confidence, that in time of financial distress or panic, the depositing public will not withdraw its money when it is most required, but will leave it with those whose good judgment will prompt its use in legitimate business, to the end that the effects of the panic may be minimised.

A law of this character properly safeguarded and enforced, would accomplish the result desired by your MAGAZINE, and the weak institutions would be weeded out until the system would be so strengthened that every bank in the United States would be as strong as the Rock of Gibraltar, and I venture the prediction that within five years the safety fund would be self-supporting and the necessity for "punishing" the so-called strong banks would cease.

I will close this letter, already too long, by quoting the last sentence of your editorial: "But if the banks can be made still safer, without sacrificing anything material to their progress, any practicable method for achieving this result should be welcomed by the banks and their customers."

Respectfully,

EUGENE T. WILSON, *National Bank Examiner.*

SEATTLE, WASH., February 17, 1905.

THE BANKERS' MAGAZINE welcomes the discussion of all subjects of interest to bankers, and we shall be pleased to publish other communications relating to the insurance of bank deposits.

IS IT A CRIME TO BE RICH?

The love of money is the root of all evil, says Saint Paul; but, like many texts of sacred writ, this maxim is capable of other than a literal interpretation. That this view prevails quite generally may be inferred from the fact that in ecclesiastical circles rich men are not condemned, but are more or less patronized and looked upon with respect. They are welcome communicants of all churches, not because of their money alone, but because of their character, while their advice is frequently sought and often followed. "Go sell that thou hast and give to the poor," was probably an injunction issued to the young man whose heart was set on his riches, and not because he was rich. If Mr. Russell Sage is as close-fisted as he is represented to be, which is highly improbable, he may be regarded as belonging to a class to whom such advice is applicable. But who can imagine Mr. Andrew Carnegie being told to give his money away? He is already convinced that it is a disgrace to die rich, and many of his fellow citizens are in accord with his views in this respect and are fruitful in projects to assist the great ironmaster in escaping a disgraceful ending to his otherwise honorable career.

It is by no means easy to define where poverty ends and riches begin. Poor and content is rich and rich enough. Diogenes found that he could dispense with his drinking-cup by using his hands, while others are unsatisfied with all the products of the earth. To the outcast without shelter, the dweller in the tenement-house is regarded with envy. Spendthrifts look upon those who by self-denial have accumulated a few thousand dollars, as capitalists. In a country where nearly all are poor, the man who has a hundred thousand dollars is considered wealthy. But in a country like the United States, where the average of well-being is so high, we are accustomed to regard only millionaires or multi-millionaires as being rich.

If therefore by a rich man we mean one who has a million or more, and we accept what seems to be the prevailing view—that it is a crime to be rich—only a comparatively small number would be included in the criminal category. Herein lies the prosperity of the politician who attacks the wealthy. He knows that however severely he may excoriate the rich, he appeals to the majority of his hearers and that he is sure of a favorable response. As most men fail, for one reason or another, to accumulate great wealth, it is comforting for them to be told that this is somehow due to the inequalities of law. The inculcation of this doctrine must in the end be harmful, if men are convinced of its truth, for it will destroy the incentive to save and to struggle for the highest achievement.

Many of the great fortunes of the present day were partly inherited; but if they are traced to their origin it will be found that they had their beginnings in thrift and self-denial. But these qualities, while essential for laying the foundations of wealth, are destitute of the power to raise the superstructure without the aid of a rarer faculty—business capacity. How few are able to practice the degree of self-denial necessary to lay the basis of a competence, is abundantly witnessed by the multiplication of needless expenditures on every hand. The growth of the drink habit amongst those least able to bear such an expense is but one conspicuous form of extravagance of many that might be cited. But if few possess the saving faculty, fewer still have the natural ability wisely to employ what they do save. As the enterprises of the country tend more and more to concentrate into the hands of the entrepreneur the opportunity of acquiring whatever of this faculty may be acquired, grows smaller. But on the other hand, while the concentration of industry may demand relatively fewer who may be called on to exercise large control, yet the industries become so colossal as to require a higher degree of ability than was necessary to manage the smaller and more numerous concerns that existed before the consolidation of industries began.

That the direction of the country's great commercial, transportation and manufacturing interests is now in comparatively few hands, is something that it is the present fashion to lament; but it is probably nothing more than the natural working of economic law. If, as is often said, ninety or more of every hundred of those who embark in business fail, it is hardly to be deplored that business is gradually being taken over by those capable of succeeding. Though this may somewhat curtail the freedom of individual initiative, its results in the end are beneficial all around.

Much of the envied wealth both of corporations and individuals has no existence in the concrete form in which it is popularly supposed to be. Men of great riches do not keep huge stores either of notes or coin, but use a smaller amount of real money, proportionately, than those whose worldly possessions are less. The octopus, with his giant tentacles reaching out in all directions, absorbing the people's substance, is a creature of the imagination only. Every man who has acquired great riches, whether he wishes to be so or not, can be nothing more than a trustee of that wealth. The greater his income, the truer this must be. Even Mr. Carnegie, robust Scotchman that he is, can eat only so much; and so with the gratification of his other tastes. His Fifth Avenue mansion and his estate in Scotland absorb but a small part of his income. The surplus earnings of accumulated capital go chiefly into new enterprises and betterments, through direct investment by those to whom they belong, or they go to the money market there to flow into the channels of trade and industry. Of course a very large share of gross earnings—perhaps the largest—goes to labor as wages.

Some of these facts, if carefully studied, might mitigate the denunciations of what are called the "criminal rich." There are some signs that the public mind is being inflamed against moneyed men to an extent that constitutes a menace to the continued prosperity of the country. It is in times of prosperity that the American listens most attentively to such hysterical assaults upon capital as are now being made. In the prosperous days of 1892 the voters thought they wanted a change, but in the following year they were sobered by their experience.

Much is heard, also, of the corrupting influence of riches upon government. But who can say that the government of the United States, of Great Britain or Germany is inferior to that prevailing in the notoriously impoverished nations? It will be found, with scarcely any exceptions, that where the masses are poor—and where there are almost no men of immense fortunes—the government is both corrupt and despotic.

Poverty may, in rare cases, be an evidence of superior virtue. It frequently indicates thriftlessness, laziness and incompetence. But as poverty, of itself, confers no honorable distinction, neither does wealth, necessarily, subject its possessor to any suspicion. Most great fortunes have been made by building up something whose benefits have been widely distributed. Those whose skill has made these tremendous enterprises possible are conspicuous, because they have acquired a few millions, but the immeasurable riches bestowed upon the people themselves seem to be forgotten.

The returns from invested wealth—and all wealth is either permanently or temporarily invested, the hoards of insane misers excepted—go very largely to the wage-earners, their claims being always the first charge upon the earnings. Whatever disturbs the secure investment of capital will injure the workingman first and most severely of all.

If it is a crime to develop mines; to build factories; to cultivate waste areas; to send ships over seas laden with the earth's products; to construct and operate railways; to invest in manifold enterprises and employ millions of workers at good wages; to stimulate invention and discovery; to build and endow institutions for the advancement of learning; to erect and maintain hospitals—in short, to engage in all those beneficent activities that can be carried on only by the intelligent use of large masses of capital—then it may be said that it is a crime to be rich.

It is probable that the "criminal rich" have done more to advance the prosperity and happiness of the people of this country than all the politicians from Maine to California.

THE EQUITIES OF THE RAILROAD QUESTION.

On April 5, 1877, under authority of an act of Congress approved February 4, the United States Government entered upon the experiment of national control of the railroads. The power to exercise such control was claimed by Congress, and has since been confirmed by the United States Supreme Court, to be granted by section 8 of article I. of the Constitution, which reads: "The Congress shall have power * * * to regulate commerce with foreign nations, and among the several States, and with the Indian tribes." This provision, intended by the framers of the Constitution to prevent the levying of taxes on imports and exports by one State to the injury of another State, has therefore been given a construction which never was contemplated by those who created it. In all the discussion that preceded the adoption of the Constitution there was never a suggestion that Congress should have the power to control the prices which individuals should charge for commodities or transportation.

Like the authority of the Government to issue legal-tender paper money, to confer charters upon local banks, etc., there has been read into the Constitution powers of broader scope than perhaps the founders of the Government would have consented to, had their foresight been able to grasp the developments which the future then held in store for the American people.

For eighteen years the railroads of the United States engaged in inter-State commerce have been under the supervision of a Commission composed of five members. Thirteen different men have served on this Commission at various times effecting almost a complete change in its complexion nearly three times in the eighteen years. This record for stability might have been even worse had there been more frequent changes in the Administration of the Government on political lines.

That the Commission has failed to accomplish what the authors of the inter-State law intended, is an admitted fact; and now it is seriously proposed to extend the prerogative of the Commission from supervision to rate-making. Such a proposition should invite the serious consideration of everyone, whether he owns a dollar's interest in a railroad or not.

If under the plea that the transportation of a barrel of flour from Minnesota to New York is inter-State commerce, therefore, the national Government may decide what the railroad carrying it shall charge for its service, then it follows logically that the Government may also fix the price which the Minnesota producer shall charge the New York consumer for the same barrel of flour.

But it may properly be urged that the railroad owes a duty to the public which the individual does not. That duty, however, stops short of permitting the public or its representatives to determine what charge it shall make for the commodity it has to sell.

In taking an enlarged view of the public character of a railroad, those elements in its nature which are wholly independent of public responsibility or contribution are lost sight of. The sources of public obligation are the incorporation and the right of eminent domain. The privilege of incorporation is not enjoyed exclusively by the railroads. There are thousands of corporations engaged in all kinds of business upon whom is impressed no public duty whatever, which does not devolve upon the private individual.

The right of eminent domain is, however, a special privilege conferred upon a railroad, which imposes upon it a public obligation. But the value of this right is not infrequently exaggerated in the minds of those who deny the railroad any private function whatever. The railroad, exercising the right of eminent domain, may acquire land for its roadbed and station sites. But how? Not by merely appropriating it. It has the privilege only of buying it, and must pay either the price fixed by the owner or what the courts decide is a fair value. It may force an unwilling owner to sell to it, but it cannot force him to give his land away.

Outside of this one peculiar privilege, which makes the railroad a public enterprise, the railroad is the product of private capital and effort. It is the money of individuals which buys the land, builds and equips the road, and assumes all the risk of its successful operation. Private enterprise, genius and force have developed the great railway systems of this country. Millions of private individuals have contributed their millions of dollars to create these great thoroughfares of commerce. They are as fully entitled to the rewards of their effort as the investors in any private enterprise who have risked their own capital and employed their own talents and resources.

Obligations to the public are, however, incurred by the railroads. They arise not only from the special privilege conferred upon them as mentioned above, but also from incidental conditions, not necessary to be enumerated here. The public has a right to demand from the railroads efficient service, reasonable charges, and beyond everything else equitable and impartial treatment. The cost of transportation is an important factor in fixing the price of commodities. The railroad has no right to charge one shipper more or another shipper less so as to give one an advantage over another in disposing of his commodities.

But the railroad the same as the individual is subject to the natural laws of trade. As the large dealer can buy more advantageously than the small dealer, and sell his goods at a lower price, so the railroad can handle large shipments more cheaply than small shipments, and to say that the railroad must carry a pound at the same rate that it charges for a ton, or must take a train-load at the same rate that it charges for a car-load, is to demand that the railroad shall do what no individual is expected to do in his private business.

In the long and short-haul clause of the inter-State commere law this attempt to overthrow natural law was made, but it failed signally. Competition made it impossible for the railroads to comply with the requirement. It meant that they must sacrifice their through traffic, which carried at the lowest rates yet gave them the largest profit. Few railroads could do this and escape bankruptcy.

This is only one illustration of the impotency of a theory, however well conceived, when confronted with the dictates of natural laws.

While theoretically the railroads are charging too much for their service, investigation will disclose that the offence which has caused public clamor is that of making too low rates. The whole history of the railroads of this country is filled with evidence on this point. Fifty years ago the State of New York was plunged into a mad turmoil because the railroads were carrying freight at so low a rate that the canals were being ruined, and down to the present time the fight against the railroads has been mainly not because they charged one set of people too much, but because they charged another set too little.

As the railroads developed the wheat and corn fields in the West, the cry of outrage came from the Eastern farmer, that the low rates from the West to the Atlantic border would ruin them. The outcry was natural, for individual interests were hurt while the country was the gainer.

Before the American people decide upon the policy of exercising ownership of the railroads, either fully or in part, it is only reasonable that full account should be taken of what the railroads have done for this country, and what has been the reward their owners have obtained.

In the railroad there are three distinct entities: the road itself, which is a mere soulless creation; the management, which controls it, and the investors whose capital created it. The railroad as a mere instrument need not be considered in this connection; to the management and the owners of railroads some attention may be briefly given.

First, the management, the directors who control the policy of the railroad not only as regards the public, but the shareholders as well, may properly be criticized for whatever calls for condemnation. It is unfortunate that too frequently those who have had control of the railroads have been unfaithful in the administration of their trusts. They have managed the roads for their personal gain and not in the interest of either the owners or the public. Not all railroad directors are open to so grave a charge, but too many have been false to their duty. The public, however, has suffered less than the

much-abused stockholders, for even a corrupt railroad management can gain very little from wantonly injuring the road's patrons. In the financial management of the railroads the greatest wrong has been done. Schemes for the overissue of securities and their manipulation in Wall Street have been the foundation of many great fortunes, which individuals in control of railroads have accumulated.

Whatever reform in railroad management is called for, lies in the direction of protecting investors in railroad securities from the wrongful, often corrupt practices, of those who control railroad properties, not depriving the real owners of their right of ownership. To their rights, their reasonable claim to fair treatment, now let consideration be given.

In the United States to-day there are 207,000 miles of railroad in operation, represented by more than $6,000,000,000 of capital stock and a bonded debt of about an equal amount. The securities representing this capital and debt are owned by millions of individuals, either through direct ownership, or through the investments of banks, trust companies and insurance companies. It is needless to say that any adverse legislation aimed at the railroads will injure more people than probably could be affected in any other way. Any legislation which attempts to deal with $12,000,000,000 of capital needs to be wisely conceived and to be temperately applied.

When the past experience of railroad investors is brought into the light, it may well be that leniency should be the dominating element in any legislation affecting them. It is nearly seventy-six years since the Baltimore & Ohio began the career of our railroad system, and throughout that entire period there has been a succession of wrecked railroad enterprises into which private fortunes have been sunk. A majority of the principal railroads that have been in existence as long as twenty years, at one time or another have been in the hands of a receiver or have been reorganized by turning into waste paper reams of securities for which investors had previously paid good money. Since 1875 more than 115,000 miles of railroad with a stock and bond capital of over $6,000,000,000, equal to about one-half the present total mileage and capital of all the railroads in the country, have been placed in receivers' hands, most of which was sold under foreclosure. The following record of receiverships and foreclosures, compiled by the "Chicago Railway Age," reveals an appalling series of catastrophes:

Years.	Placed Under Receiverships.			Sold Under Foreclosure.		
	Number of roads.	*Miles.*	*Stocks and Bonds.*	*Number of roads.*	*Miles.*	*Stocks and Bonds.*
1876	42	6,662	$467,000,000	30	3,840	$217,848,000
1877	38	3,637	220,294,000	54	3,875	198,984,000
1878	27	2,320	92,385,000	48	3,906	311,631,000
1879	12	1,102	39.367,000	65	4,909	243,288,000
1880	13	885	140,265,000	31	3,775	263,882,000
1881	5	110	3,742,000	29	2,617	137,923,000
1882	12	912	39,074,000	16	867	65,426,000
1883	11	1,990	108,470,000	18	1,354	47,100,000
1884	37	11,038	714,755,000	15	710	23,504,000
1885	44	8,386	385,460,000	22	3,156	278,394,000
1886	13	1,799	70,346,000	45	7,687	374,109,000
1887	9	1,046	90,318,000	31	5.478	328,181,000
1888	22	3,270	186,814,000	19	1,596	64,555,000
1889	22	3,803	99,664,000	25	2,930	137,815,000
1890	26	2,963	105,007,000	29	3,825	182,495,000
1891	26	2,159	84,479,000	21	3,223	169,069,000
1892	36	10,508	357,692,000	28	1,922	95,898,000
1893	74	29,340	1,781,046,000	25	1,613	79,924,000
1894	38	7,025	395,791,000	42	5,643	318,999,000
1895	31	4,089	369,075,000	52	12,831	761,791,000
1896	34	5,441	275,597,000	58	13,730	1,150,377,000
1897	18	1,537	92,909,000	42	6,675	517,680,000
1898	18	2,069	138,701,000	47	6,054	252,910,000
1899	10	1,019	52,285,000	32	4,294	267,534,000
1900	16	1,165	78,234,000	24	3,477	190,374,000
1901	4	73	1,627,000	18	1,139	85,808,000
1902	5	278	5,835,000	18	693	39,8[illegible]5,000
1903	9	229	18,823,000	13	555	15,885,000
1904	8	744	36,069,000	13	524	28,266,000
Total	660	115,599	$6,451,124,000	910	112,898	$6, 894,535,00

Whatever faults of financing or of bad management may be hidden under this mass of wreckage, it is impossible to escape the conclusion that an enormous risk attends railroad enterprises. The adventurer starting out to discover new lands never trusted his bark to more uncertain seas than the investor who puts his money into a new railroad venture. And the hazard, while it may be diminished, is not eliminated even from old ventures.

Probably no offence in railroad management has come in for severer criticism than "stock watering," and much of the criticism has been justifiable. But no greater mistake has been made than in assuming that the public, or that portion of it which contributes to the revenues of the railroads, suffer to any appreciable degree from it except in special instances. It is the investor in the watered stock who is the most aggrieved victim. Not every increase in stock without a cash equivalent, however, may properly be called stock watering. If the individual who puts a higher price on his land or on his manufacturing plant because of an appreciation in its intrinsic value, is exercising only his legitimate right, then the railroad whose property and franchise have increased in value may justly capitalize the appreciation.

Grievous financial offenses have been committed by stock watering and the public has paid dearly therefor. But as a rule the evils remedy themselves and the public escapes the pitfall set for its feet.

But to whatever extreme the wrongful inflation of capital may have been carried, the effect was not always to increase the burden of the public. The unfortunate shareholder who buys the securities representing nothing is mulcted, and the receiverships and foreclosure sales have evaporated the water as effectually as the sun will empty a shallow stream.

Not only does the stockholder lose his investment in the worthless stock, but he fails to obtain a reasonable return upon the money which he has put into stocks that are representative of actual value. There are of course railroads which pay regularly and continuously a reasonable dividend upon their share capital, but they are so exceptional as almost to prove the rule that railroad shares are the poorest kind of an investment, and the most uncertain, except as to making no return whatever.

The last year was the most favorable one for railway shareholders in many years, yet only about fifty-six per cent. of the total share capital of the railroads of the country paid any dividend at all. For three years—1895, 1896 and 1897—less than thirty per cent. paid a dividend. On more than $2,700,000,000 of stock the holders received no dividend last year. Yet, as mentioned, the owners of railway stock last year had an exceptionally favorable experience. How small a return investors in railway shares receive may be ascertained from the following table compiled from the reports of the Inter-State Commerce Commission:

JUNE 30.	*Capital stock outstanding.*	*Amount of stock paying no dividends.*	*Amount of stock paying dividends.*	*Amount of dividends paid.*	*Rate of dividend on dividend paying stock.*	*Rate of dividend on total stock.*
1889	$4,251,190,719	$2,621,439,792	$1,629,750,927	$82,110,198	5.04	1.93
1890	4,409,658,485	2,811,526,552	1,598,131,933	87,071,613	5.45	1.98
1891	4,450,649,027	2,654,258,391	1,796,390,636	91,117,913	5.07	2.04
1892	4,633,108,763	2,807,403,326	1,825,705,437	97,614,745	5.35	2.10
1893	4,668,935,418	2,859,334,572	1,809,600,846	100,929,885	5.58	2.15
1894	4,834,075,659	3,066,150,094	1,767,925,565	95,515,226	5.40	1.97
1895	4,961,258,656	3,475,640,203	1,485,618,453	85 287,543	5.74	1.72
1896	5,226,527,269	3,667,503,194	1,559,024,075	87,603,371	5.62	1.68
1897	5,364,642,255	3,761,092,277	1,603,549,978	87,110,599	5.43	1.62
1898	5,388,268,321	3,570,155,239	1,818,113,082	96,152,889	5.29	1.78
1899	5,515,011,726	3,275,509,181	2,239,502,545	111,009,822	4.96	2.01
1900	5,845,579,593	3,176,609,698	2,668,969,895	139,597,972	5.23	2.39
1901	5,806,566,204	2,828,991,025	2,977,575,179	156,735,784	5.26	2.70
1902	6,024,201,295	2,683,556,614	3,337,644,681	185,391,655	5.55	3.07
1903	6,155,559,032	2,704,821,163	3,450,737,869	196,728,176	5.70	3.20

During all the years covered in the above table the average rate of dividend paid on dividend-paying stocks was less than six per cent., while the average rate on the total capital has ranged from 1.62 to 3.20 per cent.

Surely the owners of the railroads have not been unduly compensated. Have they not some claim upon the people of this country for at least equitable treatment? And if the railroads owe certain duties to the public, are there not reciprocal obligations on the other side?

It is not possible to trace all the beneficial results which this country has secured through the enterprise of the people who have put their capital into railroads. To enumerate a few will serve to indicate what a valuable service the railroads perform.

Out of every dollar which the railroads receive as earnings from sixty-five to seventy cents is disbursed for operating expenses. The gross earnings of the railroads in the United States last year exceeded $1,900,000,000 and more than $1,300,000,000 was expended for wages, material, cost of operation, etc. Less than $600,000,000 remained to provide for interest, dividends, rentals and other disbursements. As distributing agents the railroads are an important means of keeping money in circulation as well as of stimulating industrial activity.

As an employer of labor the railroads must be recognized as a very essential element in maintaining prosperity. At the present time more than 1,300,000 people are in the direct employ of the railroads and 5,000,000 people at least are dependent upon the prosperity of the railroads for the continuance of their income. Among their employees alone the railroads last year distributed more than $750,000,000. Below are shown the number and compensation of railroad employees yearly since 1893; also the amount of taxes which the railroads have paid, largely to State and municipal governments:

	Number of employees.	*Compensation of employees.*	*Taxes.*
1893	873,602	....	$36,514,689
1894	779,608	....	38,125,274
1895	785,034	$445,508,261	39,832,433
1896	826,620	468,824,531	39,970,791
1897	823,476	465,601,581	43,137,844
1898	874,558	495,055,618	43,828,224
1899	928,924	522,967,896	46,337,632
1900	1,017,653	577,264,841	48,332,273
1901	1,071,169	610,713,701	50,944,372
1902	1,189,315	676,028,592	54,465,437
1903	1,312,537	757,321,415	57,849,569

A comparison between the dividends paid to the owners of over $6,000,000,000 capital stock of the railroads and the compensation paid to the employees will not suggest that the remuneration of railroad capital is excessive.

The amount paid yearly for taxes is also a reminder that the railroads are not entirely exempt from those burdens which the ordinary citizen finds none too easy to carry. When the broader influence of the railroad, in the opening up of new territory, the extension of markets, the impulse given to immigration and in the general building up of the wealth-producing industries of the country, is considered, only the most reckless of experimenters would undertake to throw out of adjustment so important a mechanism. The last thirty years have witnessed a revolution in the industrial and commercial interests of the country, brought about by the driving force of railroad enterprise. In the nature of things the development of the railroad has antagonized many existing conditions. The march of civilization is over cherished traditions. The railroad has overthrown many a venerated institution, not without attracting the bitter resentment of its devoted champions. The stagecoach, the canal-boat and the river steamboat have been forced into oblivion or driven into a narrowed career, and with them all the collateral enterprises to which they gave life. As the railroad pushed its way into new and unpeopled territory, it changed conditions in the old. Developing new areas of production, it left in its wake untilled farms and abandoned industries. But if the greatest good to the greatest number be a sound economic doctrine, the railroad has been a three-fold blessing. There had to be an adjustment along new lines, and the result has been general progress and prosperity.

The wheat-growing industry of the country is a striking illustration of the changed conditions which railroad extension creates. Of the five States

which in 1903 produced the most wheat, about one-half of the total crop of the country, not one produced any appreciable quantity prior to 1880. Four States which in 1850 produced one-half the total wheat crop, raised only about one-tenth of the total in 1903. The five largest wheat producing States in each census year since 1850, and in 1903, are given here in the order of their rank:

1850.	Bushels.
Pennsylvania	15,368,000
Ohio	14,487,000
New York	13,121,000
Virginia	11,213,000
Illinois	9,415,000
	63,604,000
Other States	36,882,000
Total U. S.	100,486,000

1860.	Bushels.
Illinois	23,837,000
Indiana	16,848,000
Wisconsin	15,657,000
Ohio	15,119,000
Virginia	13,130,000
	84,591,000
Other States	88,514,000
Total U. S.	173,105,000

1870.	Bushels.
Illinois	30,128,000
Iowa	29,436,000
Ohio	27,882,000
Indiana	27,747,000
Wisconsin	25,606,000
	140,799,000
Other States	146,947,000
Total U. S.	287,746,000

1880.	Bushels.
Illinois	51,111,000
Indiana	47,285,000
Ohio	46,016,000
Michigan	35,533,000
Minnesota	34,601,000
	214,545,000
Other States	244,938,000
Total U. S	459,483,000

1890.	Bushels.
Minnesota	45,456,000
Dakotas	41,652,000
Ohio	29,984,000
California	29,121,000
Kansas	28,195,000
	174,408,000
Other States	224,854,000
Total U. S	399,262,000

1900.	Bushels.
Kansas	82,489,000
Minnesota	51,509,000
California	28,544,000
Washington	25,097,000
Nebraska	24,802,000
	212,441,000
Other States	309,789,000
Total U. S	522,230,000

1903.	Bushels.
Kansas	87,250,000
Minnesota	70,653,000
North Dakota	55,241,000
South Dakota	47,253,000
Nebraska	42,157,000
	302,554,000
Other States	335,268,000
Total U. S	637,822,000

The extension of wheat-growing to the West and Northwest followed the line of railroad construction. In the five States which were leaders in wheat production in 1860 there had been built 8.867 miles of railroad in the ten years 1850 to 1860. In the five States leading in 1870 there had been built 6.296 miles in the previous decade. In the five States leading in 1880 there had been built 10.837 miles in the previous ten years. In the five States leading in 1890 railroad mileage had increased 15.729 miles in the previous ten years. In the five leading States in 1900 the increase in mileage in ten years was 3.854. The five leading States in 1903 have had 3,811 miles added to their railroad systems since 1890.

The total mileage of railroads in the States which last year produced more than 300,000,000 bushels of wheat increased from 770 miles in 1860 to 5,771 miles in 1870, to 16.684 miles in 1880 to 25.301 miles in 1890 and to 28,301 miles in 1903. These States produced only 2,000,000 bushels of wheat in 1860, 23,000,000 bushels in 1870 and 68,000,000 bushels in 1880. If the railroads have diverted wheat-growing to the fertile fields of the Northwest as they undoubtedly have, it can hardly be disputed that the country has been the gainer, even if New York, Pennsylvania and Virginia have had to turn to other industries.

In the development of the wealth of the country it is no exaggeration to say that the railroad has been the most important factor. It has stimulated production by bringing the producer close to available markets. It has increased the value of land by making it productive. Proximity to a railroad is a valuable asset which no one would willingly dispense with if money is

any object to him. The mere laying out of a railroad route enhances the value of adjacent land.

While it is not possible to measure the values created by the railroads, there is opportunity to observe the development of wealth as railroads have pushed forward their operations. Some of the most interesting statistics supplied by the Census Bureau are those which relate to the increase in value of farm lands. This increase has been phenomenal in parts of the country where railroad transportation has been indispensable to the successful cultivation of farm lands. In the following table is shown the increase in value of farms in thirteen principal States, with the increase in railroad mileage:

	Value of farms 1870.	*Railroads 1870.*	*Value of farms 1900.*	*Railroads 1900.*	*Increase in value of farms in 30 years.*	*Increase in railroads in 30 years.*
		Miles.		Miles.		Miles.
California..........	$141,240,028	925	$707,912,960	5,588	$566,672,982	4,663
Illinois.............	920,506,346	4,823	1,765,581,550	11,048	845,075,204	6,225
Indiana.............	634,804,189	3,177	841,735,840	6,573	206,931,151	3,396
Iowa................	392,662,441	2,683	1,497,554,790	9,370	1,104,892,349	6,687
Kansas.............	90,327,040	1,501	643,652,770	8,714	553,325,730	7,213
Michigan...........	398,240,578	1,638	582,517,710	8,092	184,277,132	6,454
Minnesota..........	97,847,442	1,092	669,522,315	6,997	571,674,873	5,905
Missouri...........	392,908,047	2,000	843,979,213	6,887	451,071,166	4,887
Nebraska	30,242,186	705	577,660,020	5,695	547,417,834	4,990
North Dakota......	2,085,265	65	198,780,700	2,810	416,828,625	5,707
South Dakota......			220,133,190	2,962		
Texas...............	60,149,950	711	691,778,613	9,992	631,628,663	9,281
Wisconsin..........	300,414,064	1,525	686,147,660	6,539	385,733,596	5,014
Total, 13 States..	$3,461,427,576	20,845	$9,926,951,831	91,267	$6,465,524,255	70,422

Above is shown an increase of $6,465,524,255 in the value of farms since 1870. This increase exceeds the total capital stock of all the railroads in the country. The increase above would more than pay for every mile of railroad now in operation in those States. The railroads have now nearly as many miles in the thirteen States as were in operation in the entire country in 1880. They built over 70,000 miles, investing probably $4,000,000,000 to develop the wealth of those States, and the farm-owners have certainly reaped a large reward. Is there a single State in the list which could have afforded to close its doors against the railroads? Is there one which can afford now to take action that would cripple them or destroy their usefulness? To do this on the plea that the railroads have been greedy and have taken the lion's share of the profit, is entirely unreasonable when the fact is considered that the total dividends paid on capital stock and interest paid on bonds by all the railroads in the country in the last thirty years will not equal the gain in farm values alone in the thirteen States mentioned.

That there are faults in railroad practices, faults which demand eradication, must be admitted. Accurately to determine them and wisely to frame corrective measures, demand statesmanship, superior to the wiles of the politician or the prejudices of the demagogue. No remedy based upon the confiscation of individual rights will be efficacious. JOHN S. HANSON.

Motor-Car Savings Banks.—A current newspaper paragraph tells of a "motor-car Savings bank" which makes journeys in the north of France, stopping in villages on stated days to receive such sums as thrifty country people, having saved, may be desirous of depositing in a savings bank. The motor car, which is electrically driven, carries a small safe, a desk with folding shelves for the depositors, with accommodations for two clerks and a cashier and a seat for the driver.—Marshal Halstead, Consul, Birmingham, England.

COMMERCIAL AND FARMERS' NATIONAL BANK OF BALTIMORE.

The first annual report of President Walter A. Mason under the reorganization of this bank certainly presents a story of banking progress that is inspiring. It is unnecessary to go into details regarding the condition that confronted the bank in the closing months of 1903, though it may be stated that the capital nad been impaired by $150,000, and deposits had run down from $1,200,000 to below $386,000. There had been two failures of other banks, and a little later came the great fire. Under these discouraging conditions Walter A. Mason entered upon his duties as President of the bank. His work cannot be more strikingly illustrated than by presenting a statement of the condition of the bank on January 20, 1904, and December 12, 1904:

Resources.	Jan. 20, 1904.	Dec. 12, 1904.
Loans and discounts	$683,507.75	$1,324,320.16
U. S. bonds for circulation	100,000.00	300,000.00
Premiums on U. S. bonds	....	5,000.00
Stocks, securities, claims, etc.	26,072.00	22,943.81
Banking house, furniture and fixtures	42,500.00	55,587.00
Other real estate	170,000.00	170,249.10
Cash and due from banks	217,441.33	998,557.36
Five per cent. redemption fund	5,000.00	6,400.00
Total	$1,244,521.08	$2,883,102.43
Liabilities.		
Capital stock	$256,280.00	$300,000.00
Surplus	....	25,000.00
Undivided profits	662.77	27,305.30
Special reserve	17,693.57	6,276.49
Circulation	97,350.00	300,000.00
U. S. bond account	....	200,000.00
Deposits	554,534.74	2,024,520.64
Bills payable	318,000.00	....
	$1,244,521.08	$2,883,102.43

The really significant fact shown by this comparison is that the bank has not only regained the position in the public confidence which it long held, but that its deposits are now greater by far than at any time in the bank's history, extending over a period of about ninety-five years. This record has been made in the face of adverse conditions, and despite strong opposition from some of the bank's competitors. Under these circumstances President Mason may well feel gratified by the support given him and his associates in their rehabilitation of the bank. What has been done in less than a year, against unfavorable odds, shows that the future of the Commercial and Farmers' National is exceedingly bright.

All the assets considered doubtful, or even suspicious, were eliminated at the time of the reorganization, and it is estimated that as much as $50,000 of charged off assets may be eventually recovered.

At present the Commercial and Farmers' National can show as clean a schedule of assets as any bank in Baltimore—which is saying a great deal, for banking in that city is most carefully conducted as a rule.

Mr. Mason has not only placed his bank in a thoroughly sound position, but his energetic policy is calculated to make it one of the great banks

of the South. He is thoroughly acquainted with the commercial interests in that part of the country, and is making the Commercial and Farmers' National Bank an efficient instrument in promoting those interests.

At the annual meeting of the bank the following directors were chosen: Geo. A. Von Lingen, of A. Schumacher & Co., exporters; Henry Keidel, of Henry Keidel & Co., wholesale hardware; W. J. H. Watters, of Armstrong, Cator & Co., millinery; James M. Easter, of Daniel Miller Co., wholesale dry goods; Wm. S. Belding, of W. S. Belding & Co. silks; Benjamin W. Corkran, Jr., of Streett & Corkran, packers; Geo. M. Shriver, Baltimore & Ohio R. R. Co.; H. H. Hubner, attorney; Jacob M. Lauchheimer, of M. H. Lauchheimer & Sons, clothing; Frederick H. Gottlieb, of Gottlieb-Bauernschmidt-Straus Brewing Co.; Bernard Makover, of Freedman, Sworzyn & Co., tailors' trimmings; Walter A. Mason, ex-National Bank Examiner.

WALTER A. MASON,
President Commercial and Farmers' National Bank, Baltimore.

The officers elected were: President, Walter A. Mason; Vice-President, Geo. A. Von Lingen; Cashier, Harry M. Mason; Assistant Cashiers, Charles E. C. Smith and F. V. Baldwin; Counsel, Charles W. Field; Notary, Chas. L. Hutchins.

Fort Wayne, Ind.—At the opening of the Fort Wayne Clearing-House Association, February 27, the following rule became effective:

"No member of this association shall protest or cause to be protested any note or acceptance payable at a bank in the State of Indiana, where such note or acceptance contains a clause in substance providing that the maker or drawer and endorsers severally waive presentment, protest or notice of non-payment of said note."

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—A number of men prominent in financial affairs attended a dinner at Sherry's on the evening of February 10, given by the directors of the Mercantile and the Equitable Trust Companies of this city in honor of the directors of the Franklin National Bank and the Commercial Trust Company of Philadelphia. While these were the principal institutions represented, nearly every railroad, bank, and other potential institution in the country also was represented by the guests.

Although the dinner was not designated as a reciprocal affair, the Philadelphians some time ago gave a similar dinner to the banks who were the hosts on this occasion.

—At the regular meeting of the board of directors of the New York National Exchange Bank, February 21, Gustav Vintschger was elected a director of the bank. Mr. Vintschger is President of Markt & Co., exporters and importers, 193 West street.

—The Chemical National Bank will begin the erection of a new home on its present site near the corner of Broadway and Chambers street, about May 1. The building probably will not be more than three or four stories in height.

Besides the property on which the present bank building stands, 270 Broadway, the bank has owned for a long time the two lots 80 and 82 Chambers street. The new structure is to cover the entire property.

Pending the erection of the new building the bank will occupy the ground floor of the New Barclay Building at the corner of Broadway and Duane street.

—The New York Chapter American Institute of Bank Clerks held its annual dinner in the Hotel Astor on the evening of February 8. The gathering was a representative one of bank employees, and many prominent men well known in financial circles were the guests of the clerks at the banquet.

The committee in charge of the affair consisted of J. L. Miller, National Shoe and Leather Bank, chairman; E. F. Feickert, Plainfield (N. J.) Trust Company, secretary; H. L. Andrews, Garfield National Bank, treasurer; R. J. Phair, Fifth Avenue Bank; J. J. McCormick, Bowery Bank; C. F. Minor, Knickerbocker Trust Company, and H. N. Rodman, Citizens' Central National Bank.

The speakers of the evening were W. E. Stevens, of the Bowery Savings Bank; Rev. Donald Sage Mackay, Chancellor Henry M. MacCracken, Thomas B. Paton, Charles L. Safford and James A. Neilson, president of the chapter. Others who occupied seats at the guest table were C. V. Fornes, President of the Board of Aldermen; Alfred M. Barrett, president of the National organization; George K. Wadsworth, president of the Chicago chapter; J. C. Guild, president of the Providence chapter; Arthur Cooley, of the Hartford chapter; Samuel Ludlow, Henry Dimse, and Gates McGarrah, of New York.

MIDDLE STATES.

New York Savings Banks.—Superintendent of Banks F. D. Kilburn recently completed his tabulation of the figures in the reports of the Savings banks of New York, showing their condition on January 1. There are 129 of these institutions reporting to the Banking Department, and the aggregate of their resources on December 30 was $1,311,993,505, which is an increase for the year of $73,193,037.

For the twelve months the amount due depositors increased by $67,301,199, and the surplus, figured on the market value of stocks and bonds, increased $5,804,690. The deposits made in the banks was in excess of the amount withdrawn by $27,788,148.

Supt. Kilburn announces that the increase in the total resources of State banks, trust companies, Savings banks and safe deposit companies in the last year has been upward of $513,000,000, making an aggregate increase in the nine years of his incumbency of his present position of about $1,750,000,000.

Philadelphia.—Fred T. Chandler, a member of the firm of Chandler Bros., bankers and brokers, was elected president of the Philadelphia Stock Exchange, March 6.

New York State Bankers' Association.—The council of administration of the New York State Bankers' Association has appointed the following committee to have charge of all arrangements for the coming State convention: A. H. Curtis (chairman), E. O. Eldridge, Elliott C. McDougall, David H. Pierson and Frank E. Horn. July 13 and 14 were the dates selected for the convention, and the Frontenac in the Thousand Islands is the place favored if arrangements can be made.

To Prohibit Bonuses on Loans.—Attorney-General Mayer has drawn a bill which Senator Stevens introduced in the New York Legislature on February 10, which makes it a misdemeanor for any officer or employee of a bank to ask or receive, or consent or agree to receive, any commission, emolument, gratuity or reward, or promise of any commission, emolument, gratuity or reward, or any money, property or thing of value, or of personal advantage, for procuring or endeavoring to procure for any person, firm or corporation any loan from, or the purchase or discount of any paper, note, draft, check or bill of exchange by any bank, banking association, Savings bank or trust company, or for permitting any person, firm or corporation to overdraw any account.

SOUTHERN STATES.

Texas Banking Bill.—On March 2 the house committee on State affairs reported favorably the committee substitute State banking bill. It is patterned after the Missouri State banking act and is, in fact, almost a duplicate of the law. State banks shall be under the supervision of a State Superintendent of Banking, whose department shall also embrace that of insurance. The statements of these State banks shall be similar to those required of National banks. Existing private banking corporations may take advantage of the new act and become State banks if they so desire. The matter of making loans on real estate is left optional with the banks.

All other banking bills before the committee were reported unfavorably.

Richmond, Va.—The Bank of Commerce and Trust is the name of a new institution which began business February 27, with a capital of $200,000. Pending the selection of permanent quarters, offices were opened in the American National Bank Building. Oliver J. Sands, President of the American National Bank, has been chosen President of the Bank of Commerce and Trust; A. Randolph Hollady was elected Vice-President, and J. Douglas Lecky, Secretary. The entire assets of the Richmond Perpetual Building Loan and Trust Co. have been transferred to the new bank.

Macon, Ga.—The American National Bank is preparing to rebuild its present structure, making it seven stories and conforming in all requirements to modern architectural ideas.

WESTERN STATES.

St. Louis.—The Third National Bank will build a magnificent banking-house at the southwest corner of Broadway and Olive street, directly across the street from the National Bank of Commerce. The bank has had a remarkable growth and is compelled to seek larger quarters by reason of the exigencies of its enlarged business. Plans are now being drawn for the new structure, which will be a large office building.

—At the annual meeting of the board of directors of the Mississippi Valley Trust Company, February 14, the following officers were elected for the ensuing year: Julius S. Walsh, President; Breckinridge Jones, John D. Davis and Samuel E. Hoffman, Vice-Presidents; James E. Brock, Secretary; Hugh R. Lyle and Henry C. Ibbotson, Assistant Secretaries; Frederick Vierling, Trust Officer; Henry Temple Ames, Assistant Trust Officer; Wm. G. Lackey, Bond Officer; Eugene H. Benoist, Real Estate Officer; Wm. McC. Martin, Safe Deposit Officer, and Breckinridge Jones, Counsel.

The executive committee elected for the ensuing year consists of the President, three Vice-Presidents, and Messrs. Charles Clark, David R. Francis and Wm. F. Nolker. In addition to other matters, this committee has supervision of trust estates and passes on all investments of trust funds.

—At the annual meeting of the shareholders of the Mississippi Valley Trust Co., February 7, the membership of the board of directors was increased from twenty-one to twenty-five. The new members added are: Messrs. John I. Beggs, of Union Electric Light and Power Co.; Horatio N. Davis, of Smith & Davis Mfg. Co.; Saunders Norvell, of Norvell-Shapleigh Hardware Co., and Robert J. O'Reilly, M. D., the well-known physician. Seven directors were also re-elected to serve for three years; viz.: Messrs. Charles Clark, John D. Davis, Harrison I. Drummond, George H. Goddard, Samuel E. Hoffman, Wm. D. Orthwein and Rolla Wells. The other members of the board composing the full twenty-five are: Judge Wilbur F. Boyle, and Messrs. James E. Brock, Murray Carleton, Auguste B. Ewing, ex-Gov. David R. Francis, August Gehner, Charles H. Huttig, Breckinridge Jones and Julius S. Walsh.

The personnel of the board above indicated is a strong and influential one and only adds to the well-known reputation of the company for progressive and conservative management. The company made substantial progress in the year 1904, and the increase in its board of directors has been demanded by reason of its extensive business.

Oshkosh, Wis.—Albert T. Hennig was elected Cashier of the National Union Bank at the regular annual meeting January 10. Mr. Hennig served as teller in the bank for some years, and in 1903 was promoted to be Assistant Cashier, holding this position until his election as Cashier as above stated.

Kansas Banks Prosperous.—William S. Albright, State Bank Commissioner, recently made a report showing the condition of banks in Kansas on January 11:

"The deposit of $111,394,451.92, as shown in the statement," said Bank Commissioner Albright, "is the largest in the history of Kansas. The individual deposit, which correctly represents the deposits of the people, for the first time exceeds one hundred million dollars—to be exact, the amount is $100,898,790.82. The wealth of the State can be judged by this deposit.

The payment of taxes, the high price of wheat, the marketing of fat cattle and sale of corn, have all had an influence in building up this magnificent deposit. The demand for money, as shown by the $3,550,000.00 increase in the loans in the past two months has kept pace with the increased deposit; in certain districts of the State the requirement of stock feeders for more money to purchase stockers, and in other districts, to buy feed, where the corn crop was a failure, has been a constant strain on local banking institutions, causing the legal reserve in many instances to show a decided falling off from previous reports. Yet in this statement, the average per cent. of reserve in State banks is thirty-seven per cent. and in National banks thirty-five per cent.

There are 558 State and private banks and 166 National banks included in the statement.

Cannon Falls, Minn.—The Citizens' Bank has been incorporated as the Citizens' State Bank. It has been doing business successfully as a private institution since 1878. The officers remain as before—Hiram A. Scriver, President and Cliff W. Gress, Cashier. Mr. Gress is vice-president of the Minnesota Bankers' Association. The capital of the bank is $30,000, and surplus $5,000.

Mancos, Col.—George Bauer, who has been doing a private banking business here since 1881, died at Guadalajara, Mex., February 1. The business will be continued for Mr. Bauer's heirs by G. T. Cline, the Cashier of the bank.

PACIFIC SLOPE.

San Francisco.—F. L. Lipman has been elected President of the Wells-Fargo Bank, succeeding Homer S. King, who was recently made President of the Bank of California.

Pasadena, Cal.—The First National Bank recently moved into spacious and elegant quarters in the New Slavin Building. The bank has for its use a floor space covering an area 100 by 125 feet. New furniture and fixtures have been installed, making the First National's banking offices among the best equipped in the State.

Santa Paula, Cal.—At the regular meeting of the board of directors of the First National Bank, February 10, A. L. Shively was elected Cashier in place of Jos. R. Haugh, resigned, and C. L. Sheldon was elected Assistant Cashier.

Highland, Cal.—The First Bank of Highland moved into its new building January 10. The new bank is of the mission type of architecture, and presents a unique and attractive appearance. The furniture is modern wood of antique design, and the vaults and other equipment are of the best construction and materials.

Los Angeles, Cal.—The United States National Bank has been organized here with $200,000 capital and $50,000 surplus. Isaias W. Hellman is President; O. M. Louden, Vice-President, and E. J. Vawter, Cashier.

—The Farmers and Merchants' Bank has just completed a new building at Fourth and Main streets. It is a handsome structure, in the Corinthian style, and is fitted up with all the latest appliances for the safe and convenient transaction of business, and is tastefully and attractively arranged and furnished throughout. The room is 60 by 100 feet, with a gallery running around the entire building, all of which will be utilized by the bank.

Pasadena, Cal.—The holdings of R. & W. Eason in the Union Savings Bank have been acquired by H. I. Stuart and E. H. Groenendyke. Mr. Stuart will be President. He has been Cashier of the First National Bank of Pasadena for several years. Mr. Groenendyke will be Cashier of the Union Savings Bank. He has been for some time Secretary of the Los Angeles Trust Co.

Albuquerque, N. M.—The capital stock of the Bank of Commerce has been increased from $100,000 to $150,000, the addition being subscribed by local business men.

Los Angeles, Cal.—The Merchants' Trust Company has recently taken possession of its new building, which has been under construction since last May. It is a modern seven-story structure, of steel construction, and is fireproof.

The Merchants' Trust Company is a progressive company, conducted on the lines of the best Eastern trust companies, and is building up a good business in the various departments. W. L. Brent is President; Jos. C. Wickham, Vice-President and L. L. Elliott, General Manager.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

Applications to Organize National Banks Approved.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Bonnifield National Ban, Fairbanks, Alaska; by S. A. Bonnifield, et al.
First National Bank, Boswell, I. T.; by V. Bronaugh, et al.
United States National Bank, Los Angeles, Cal.; by J. A. Graves, et al.
Farmers' National Bank, Blue Earth, Minn.; by F. H. Davis, et al.
First National Bank, Rochester, Ind.; by O. B. Smith, et al.
Citizens' National Bank, Wooster, Ohio; by C. R. Mayers, et. al.
First National Bank, Benjamin, Texas; by G. B. Stewart, et al.
First National Bank, Westerville, Ohio; by I. Shaffer, et al.
First National Bank, Seneca, Mo.; by J. E. Shepherd, et al.
First National Bank, Pineville, W. Va.; by W. H. Garnett, et al.
First National Bank, McClure, Pa.; by N. B. Middlesworth, et al.
First National Bank, Escondido, Cal., by Louis J. Wilde, et al.
First National Bank, Savoy, Texas; by S. D. Simpson, et al.
First National Bank, Whitney Point, N. Y.; by H. J. Walter, et al.
American National Bank, Sapulpa, I. T.; by Cleat Peterson, et al.
First National Bank, Mount Healthy, Ohio; by Alexis Brown, et al.
City National Bank, Shawneetown, Ill.; by W. G. Boyer, et al.
Citizens' National Bank, Stamford, Texas; by W. H. Eddleman, et al.
First National Bank, Powhatan Point, Ohio; by S. L. Angle, et al.
First National Bank, Hannah, N. D.; by F. H. Wellcome, et al.
First National Bank, Morgantown, Ind.; by R. C. Griffitt, et al.
Pawhuska National Bank, Pawhuska, Okla.; by T. C. Montgomery, et al.
First National Bank, Centralia, I. T.; by T. C. Montgomery, et al.
Fort Edward National Bank, Fort Edward, N. Y.; by A. R. Wing, et al.
First National Bank, Clarence, Iowa; by W. D. G. Cottrell, et al.
First National Bank, Monterey, Pa.; by Frank M. McKelvey, et al.
First National Bank, Seagoville, Texas; by L. S. Darling, et al.
Union National Bank, Clarksburg, W. Va.; by P. M. Robinson, et al.
Hallwood National Bank, Hallwood, Va.; by James H. Fletcher, Jr., et al.
First National Bank, Loveland, Colo.; by Gordon Jones, et al.
First National Bank, Lodi, Cal.; by C. W. Norton, et al.
St. Regis Falls National Bank, St. Regis Falls, N. Y.; by Robert H. Byrns, et al.
First National Bank, Palisades, Colo.; by D. F. Le Master, et al.
Merchants & Planters' National Bank, Mount Vernon, Texas; by T. B. Banister, et al.
First National Bank, Webster Springs, W. Va.; by D. A. Fawcett, et al.
First National Bank, Chisholm, Minn.; by L. G. Sicard, et al.
People's National Bank, Steubenville, Ohio; by L. L. Grimes, et al.
First National Bank, Beecher, Ill.; by Carl Ehrhardt, et al.
First National Bank, St. Joseph, Ill.; by M. W. Busey, et al.
First National Bank, Salisbury, Mo.; by J. W. Cooper, et al.
First National Bank, Sandpoint, Idaho; by Thomas Thomason, et al.
First National Bank, San Saba, Texas; by W. K. Ray, et al.
First National Bank, Manchester, Mo.; by John Straszer, et al.
Union National Bank, Minot, N. D.; by F. H. Wellcome, et al.
First National Bank, Portland, N. D.; by P. M. Paulson, et al.
Condon National Bank, Condon, Oregon; by F. T. Hurlburt, et al.
First National Bank, Forrest, Ill.; by J. V. McDowell, et al.
Union National Bank, Purcell, I. T.; by R. E. Leavitt, et al.
Danielsville National Bank, Danielsville, Pa.; by F. M. Hower, et al.
City National Bank, Corpus Christi, Texas; by Clark Peasè, et al.
First National Bank, Turlock, Cal.; by Oramil McHenry, et al.

National Banks Organized.

7583—State National Bank, Blackwell, Oklahoma; capital, $25,000; Pres., E. P. Blake; Vice-Pres., C. I. Blake; Cas., Urban Tracy.
7584—Union National Bank, Columbus, Ohio; capital, $750,000; Pres., W. S. Courtright; Vice-Pres., A. Brenholts and E. K. Stewart; Cas., E. J. Vaughan; Asst. Cashiers, W. B. Beebe and Harry L. Lanum.
7585—First National Bank, Olin, Iowa; capital, $25,000; Pres., Geo. L. Schoonover; Vice-Pres., Geo. W. Huber; Cas., M. H. Crissman; Asst. Cas., H. D. Myrick.
7586—City National Bank, Belfast, Maine; capital, $60,000; Pres., Wm. B. Swan; Cas., C. W. Wescott.
7587—First National Bank, Waynes-

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PACI

San Francisco.—F. L. Lipma Fargo Bank, succeeding Homer the Bank of California.

Pasadena, Cal.—The First elegant quarters in the New space covering an area 100 installed, making the First in the State.

Santa Paula, Cal.—At First National Bank, F of Jos. R. Haugh, resi

Highland, Cal.—Th January 10. The new a unique and attract design, and the va materials.

Los Angeles, here with $200,00 O. M. Louden, V

—The Farn Fourth and M and is fitted action of b throughout entire buil

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NATIONAL BANKS.

CHANGES IN OFFICERS, ETC.

...en ...el S. ...k. ...Enosburg ...l, $25,000; ...worth; Vice- ...nings.

...Bank, Porter, In- ... capital, $25,000; ...Williams; Vice-Pres., ...; Cas., J. P. Funk.

...lle National Bank, ...e, Georgia; capital, $50,- ...s., Samuel C. Dunlap; Vice- ...Jack J. Spalding; Cas., T. T. ...son.

...y. ...ank, ...pital, ...; Vice- ...uy Bow-

..., East Chi- ...tal, $50,000; ...Erskine; Cas.,

...al Bank, Horse ...ital, $25,000; Pres., ...Vice-Pres., B. M. ...E. S. Pemberton; Asst. ...Yancey.

...National Bank, Goodhue, ...capital, $25,000; Pres., H. M. ...Cas., C. A. Arpke.

...National Bank, Greeley, ...Union ...capital, $50,000; Pres., B. D. ...Vice-Pres., B. F. Johnson; ...J. Decker; Asst. Cas., F. E.

...First National Bank, Manches- ...Ky.; capital, $25,000; Pres., James H. White; Cas., D. L. Walker.

...—First National Bank, Goreville, Illinois; capital, $25,000; Pres., Thomas A. Bradley; Vice-Pres., Moses M. Pickles; Cas., R. A. Parks; Asst. Cas., H. A. Hudgens.

—Farmers' & Merchants' National Bank, Nocona, Texas; capital $30,000; Pres., W. A. McCall; Vice-Pres., J. A. Fooshee and C. McCall; Cas., J. R. Modrall; Asst. Cas., C. McCall.

7618—First National Bank, Grand Gorge, New York; capital, $25,000; Pres., Samuel Harley; Vice-Pres., Arthur F. Bouton; Cas., O. D. Wood.

7619—American National Bank, Holdenville, I. T.; capital, $25,000; Pres., L. C. Parmenter; Cas., W. E. Templeman.

7620—People's National Bank, Reynoldsville, Pa.; capital, $100,000; Pres., W. B. Alexander; Vice-Pres., Francis D. Smith; Cas., F. K. Alexander; Asst. Cas., F. P. Alexander.

7621—National Bank of Commerce, Columbus, Ohio; capital, $200,000; Pres., J. C. Campbell; Vice-Pres., Dennis Kelly; Cas., P. L. Schneider; Asst. Cas., M. H. Sims.

7622—First National Bank, Greeley, Nebraska; capital, $25,000; Pres., A. P. Culley; Vice-Pres., C. Bradley; Cas., Th. Hoellwarth.

7623—First National Bank, Frankston, Texas; capital, $25,000; Pres., Geo. W. Riddle; Vice-Pres., E. L. Jones; Cas., J. H. Robinson, Jr.

7624—First National Bank, Export, Pa.; capital, $25,000; Pres., D. W. Blair; Vice-Pres. B. Franklin Jones; Cas., P. R. Foight.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Elba—Citizens' Bank; capital, $30,000; Pres., Jno. M. Garrett; Vice-Pres., L. A. Boyd; Cas., B. W. Page; Asst. Cas., W. P. Boyd.

Georgiana—Butler County Bank; successor to Vinson Bros.; capital, $15,000; Pres., W. E. Holloway; Vice-Pres., U. C. Vinson; Cas., Harry Fleming.

Tuscumbia—Tuscumbia Bank & Trust Co.; capital, $25,000; Pres., John Delaney; Vice-Pres., W. L. Stanley; Cas., Dimit Laffoon.

ARIZONA.

Benson—Bank of Benson; capital, $12,500; Pres., Riley A. Boggess; Vice-Pres., Steve Roemer; Cas., Doane Merrill.

ARKANSAS.

Murfreesboro—Pike County Bank; capital; $12,500; Pres., J. C. Pinnix; Vice-Pres., John F. Davis; Cas., Jesse N. Riley.

CALIFORNIA.

Mayfield—Mayfield Bank & Trust Co.; capital, $12,500; Pres., Alexander Peers; Vice-Pres., Marshall Black; Cas., H. P. Bennett.

McCloud—McCloud Valley Bank; capital, $12,500; Pres., S. S. Johnson; Vice-Pres., Geo. W. Scott; Cas., Wm. Thompson.

Redwood City—Redwood City Bank; capital, $25,000; Pres., Geo. R. Sneath; Vice- Pres, Wm. Hughes; Cas., L. B. Thomas.

Salinas—Salinas Valley Savings Bank; capital, $25,000; Pres., J. H. Menke; Vice-Pres., Jno. K. Alexander; Cas., C. J. Whisman.

San Francisco—Bankers' Loan & Trust Co.; Pres., R. H. Warfield; Vice-Pres., W. S. Miller; Sec., Ray Knight; Asst. Sec., S. P. Westington.

Wilmington—Bank of Wilmington; capital, $25,000; Pres., P. E. Hatch; Vice-Pres., Jotham Bixby and W. J. Horne; Cas., F. S. Cary.

COLORADO.

Bayfield—Bank of Bayfield; Pres., D. C. Coulson; Vice-Pres., V. L. Coulson; Cas., J. M. Turner.

Bessemer—Bessemer Bank; Pres., Geo. H. Williams; Vice-Pres., L. A. Winston; Cas., Frank Stansfield.

FLORIDA.

Jasper—Bank of Jasper; capital, $50,000; Pres., Frank Adams; Vice-Pres., L. M. Anderson; Cas., W. S. Murrow.

Lakeland—Citizens' Bank; capital, $25,000; Pres., R. O. Cresap; Vice-Pres., H. J. Drane; Cas., Thomas W. Conrad.

GEORGIA.

Calhoun—People's Bank; capital, $10,000; Pres., J. T. Black; Vice-Pres., J. C. Garlington; Cas., W. R. Rankin.

Hamilton—Bank of Hamilton; capital, $15,000; Pres., W. S. Witham; Vice-Pres., C. H. Cook; Cas., H. P. Redwine.

Powder Springs—Bank of Powder Springs; capital, $15,000; Pres., W. S. Witham; Vice-Pres., T. N. Camp; Cas., R. C. Dunlap.

Union Point—Citizens' Bank; capital, $15,000; Pres., B. F. Daniel; Vice-Pres., J. E. Carlton; Cas., J. T. Hollis.

IDAHO.

Boise City—Idaho Trust & Savings Bank; capital, $100,000; Pres., B. F. Olden; Vice-Pres., W. M. Briggs; Cas., L. D. Allred.

White Bird—Salmon River State Bank; capital, $10,000; Pres., S. E. Hodgen; Vice-Pres., F. L. Leonard; Cas., M. M. Moore.

ILLINOIS.

Broughton—Bank of Broughton; Pres., G. C. Scudamore; Cas., A. P. Cox.

Chicago—H. C. Barroll & Co.; capital, $100,000; Cas., E. C. Cornwall.

Franklin Grove—A. F. Dierdorff & Co.; capital, $20,000; Pres., A. F. Dierdorff; Cas., A. W. Dierdorff; Asst. Cas., H. A. Dierdorff.

Kankakee—Legris Bros.' Bank; capital, $25,000; Pres., F. E. Legris; Cas., T. A. Legris.

Makanda—Bank of Makanda; Pres., R. H. Miller; Cas., E. F. Miller.

Orangeville—R. F. Musser; capital, $20,000.

Taylor Ridge—R. P. Wait & Co.

Weston—Weston Banking Co.; Pres., W. H. Bartlett; Cas., A. B. Caruthers.

INDIANA.

Browns Valley—Browns Valley Bank; capital, $12,500; Pres., John W. Todd; Vice-Pres., Jacob C. Woolverton; Cas., Leslie M. McLoed.

Ellettsville—People's State Bank; capital, $25,000; Pres., W. P. Sandy; Vice-Pres., F. I. Owens; Cas., F. J. Hermes.

Madison—People's Trust Co.; capital, $50,000; Pres., John L. Means; Vice-Pres., B. Frank Law; Sec. and Treas., Ben T. Head; Asst. Sec and Treas., W. A. Lyon.

INDIAN TERRITORY.

Beggs—Farmers' State Bank (successor to Jehu West Banking Co.); capital, $12,500; Pres., H. F. Johnson; Vice-Pres., G. E. Brown; Cas., C. M. Humphrey.

Konawa—Konawa International Bank; capital, $25,000; Pres., John Young Pepper; Vice-Pres., F. O. Harris; Cas., V. V. Harris.

Muldrow—Citizens' Bank; capital $17,000; Pres., W. O. Bruton; Vice-Pres., S. R. Bates; Cas., A. B. Pyle.

Owl—Citizens' Bank; capital, $10,000; Pres., H. G. Beard; Vice-Pres., T. Hall; Cas., D. A. Spears.

Paden—First State Bank; capital, $25,000; Pres., G. P. Lamberton; Vice-Pres., F. A. Lamberton; Cas., L. J. Lamberton; Asst. Cas., L. P. Byerly.

Paoli—Bank of Paoli; Cas., W. H. Poffenberger.

Skiatook—First Bank; capital, $15,000; Pres., T. E. Smiley; Vice-Pres., Beeks Erick; Cas., Chas. H. Nash;

Asst. Cas., Gray Erick.—Skiatook Bank; Pres., W. C. Rogers; Vice-Pres., L. Appleby; Cas., C. H. Cleveland.
Talahina—Bank of Talahina; capital, $13,000; Pres., John T. Bailey; Cas., Arthur Bailey.
Talala—First State Bank; capital, $10,000; Pres., E. E. Hull; Vice-Pres., C. Graves; Cas., J. A. Buckles.

IOWA.

Germania—Germania Savings Bank; capital, $15,000; Pres., E. J. Murtagh; Vice-Pres., C. C. Chubb; Cas., G. L. Dalton.
Mount Ayr—Mortgage Security Bank; Cas., Ezra C. McMaster.
Pacific Junction—Bank of Pacific Junction; capital, $10,000; Pres., Chas. F. Davis; Vice-Pres., Chas. Kroon; Cas., Claude F. Anderson.
Pisgah—Pisgah Savings Bank (successor to Pisgah Banking Co.); capital. $15,000; Pres., H. M. Bostwick; Vice-Pres., J. O. Silsby; Cas., H. D. Silsby.
Redding—People's Bank; capital, $10,000; Cas., Birt Amick.

KANSAS.

Bucyrus—Bucyrus State Bank; capital, $10,000; Pres., D. H. Heflebower; Vice-Pres., R. O. Whitaker; Cas., D. C. Heflebower.
Clay Center—First State Savings Bank; capital, $20,000; Pres., D. H. Myers; Vice-Pres., F. L. Williamson; Cas., E. L. Lindner.
Clearwater—Home State Bank; capital, $10,000; Pres., A. W. Wise; Vice-Pres., John T. Stewart; Cas., J. W. Collins.
Corwin—Corwin State Bank; capital, $10,000; Pres., D. F. Augustine; Vice-Pres., Ed. M. Kelly; Cas., A. Kincaid.
Salina—Saline County State Bank; capital, $35,000; Pres., Chas. F. McAdams; Vice-Pres., Jas. Haskit; Cas., W. J. Cattell.
Selden—Citizens' State Bank; capital, $10,000; Pres., Grover Walker; Vice-Pres., D. L. Wiggins; Cas., S. T. Wiggins.

KENTUCKY.

Brodhead—Citizens' Bank, capital, $7,500; Pres., J. Thomas Cherry; Vice-Pres., R. A. Hamm; Cas., J. W. Hutchison.
Leitchfield—Farmers' & Merchants' Bank; capital, $15,000; Pres., G. W. Long; Vice-Pres., G. W. Armes; Cas., H. E. James; Asst. Cas., C. H. James.
Stanton—Powell County Bank; capital, $7,500; Pres., John W. Williams; Vice-Pres., J. H. Hardwick; Cas., E. H. Fuller.
Stithton—Stithton Bank; capital, $15,000; Pres., S. C. Mossbarger; Vice-Pres., M. S. Allen; Cas., M. C. Triplett.

LOUISIANA.

Pleasant Hill—Bank of Pleasant Hill; capital, $10,000; Pres., H. H. Kennedy; Vice-Pres., J. B. Brown; Cas., Jno. J. Hicks.
Robeline—Robeline Bank; capital, $10,000; Pres, N. A. Stellie; Vice-Pres., W. H. Cox; Cas., K. C. Smith.

MASSACHUSETTS.

Chicopee—Gaylord-Kendall Co. (successor to First National Bank).

MICHIGAN.

Kalamazoo—Kalamazoo Trust Co.; capital, $150,000; Pres., Chas. J. Monroe; Vice-Pres., Stephen B. Monroe; Treas., R. J. Williamson; Sec., Fred. G. Dewey.
Pellston City—Pellston City Bank; Pres., Chas. Bogardus; Cas., A. H. Buttars.
Vanderbilt — Vanderbilt Exchange Bank; Cas., Geo. C. Hooper.

MINNESOTA.

Avon—Avon Bank; capital, $10,000; Pres., C. Borgerding; Cas., V. S. Himsl.
Bronson—Bronson State Bank; capital, $10,000; Pres., E. A. Engebretson; Vice-Pres., Tollef Jacobson; Cas., M. G. Myhre.
Cambridge—First State Bank; capital, $20,000; Pres., Godfrey G. Goodwin; Vice-Pres., A. G. Peterson; Cas., T. C. Blomgter.
Lancaster—First State Bank; capital, $10,000; Pres., John Birkholz; Vice-Pres., T. M. George; Cas., A. W. Dennis.
Madison—Madison State Bank; capital, $25,000; Pres., P. K. Haslerud; Vice-Pres., K. S. Nordgaarden; Cas., O. G. Dale; Asst. Cas., Amund Hegna.
Milaca—Farmers' State Bank (successor to Mille Lacs County Bank); capital, $16,000; Pres., Chas. Keith; Vice-Pres., S. S. Patterson; Cas., J. S. Anderson; Asst. Cas., C. H. Dahlstrom.
St. Joseph—First State Bank; capital, $10,000; Pres., F. P. Liesen; Vice-Pres., N. Muller; Cas., John Lauermann.
Winger—First State Bank; capital, $10,000; Pres., Albert M. Eckmann; Vice-Pres., Frank Koester; Cas., Gilbert A. Brattland.
Winthrop—Commercial State Bank successor to Farmers' & Merchants' Bank); capital, $20,000; Pres., J. August Swanson; Vice-Pres., J. W. Stark; Cas., E. W. Olson; Asst. Cas., A. L. Olson.

MISSISSIPPI.

Batesville—People's Bank; capital, $30,000; Pres., C. B. Vance; Vice-Pres., J. C. Price; Cas., M. E. Jarratt.
Bolton—Bolton Branch Merchants' Bank (successor to Merchants' and Planters' Bank); D. W. Graham, Mgr.
Gloster—Citizens' Bank; capital, $25,000; Pres., R. S. McLain; Vice-Pres., E. B. McLain; Cas., D. M. Butler.
Montrose—Bank of Montrose; Pres., T. W. Sharbrough; Cas., J. W. Sharbrough.
Tunica—Irwin Bank; capital, $20,000; Pres., R. C. Irwin; Vice-Pres., Mrs. R. C. Irwin; Cas., W. H. Powell.

MISSOURI.

Aldrich—Bank of Aldrich; capital, $10,000; Pres., J. H. Jarnagin; Vice-Pres., W. T. Hurst; Cas., James Vaughn.
Auxvasse—Citizens' State Bank; capital, $30,000; Pres., T. P. Harrison; Vice-Pres., J. W. Creed; Cas., Crockett Harrison.
Caruthersville—People's Bank; capital, $50,000; Pres., Lee W. Rood; Vice-Pres., G. W. Bradley; Cas., J. D. Huffman.

Clarence—Clarence Savings Bank; capital, $20,000; Pres., J. H. Merrin; Vice-Pres., M. H. Lewis; Cas., B. B. Asbury; Asst. Cas., W. M. Pritchard.
Denver—Bank of Denver; capital, $10,000; Pres., E. M. McLeod; Vice-Pres., M. S. Williams; Cas., C. W. Williams.
Flat River—People's Bank; capital, $15,000; Pres., J. W. Covington; Vice-Pres., O. S. Florence; Cas., L. R. Reid.
Flemington—Bank of Flemington; Pres., R. L. Fleming; Vice-Pres., James Rule; Cas., G. M. Botts.
Gifford—Bank of Gifford; capital, $10,000; Pres., J. G. Magers; Vice-Pres., J. P. Foster; Cas., H. C. Surbeck.
Green City—American Bank; capital, $25,000; Pres., John Shebley; Vice-Pres., F. A. Kidwell; Cas., P. K. Payne.
Hughesville—Bank of Hughesville; capital, $5,000; Pres., W. M. Alspaugh; Vice-Pres., W. T. Bishop; Cas., P. Bruce.
Illmo—First State Bank; Pres., W. K. Murphy; Vice-Pres., J. P. Lightner; Cas., H. O. Murphy; Asst. Cas., S. R. Fitts.
Independence—Jackson County Bank; capital, $15,000; Pres., Ellis Short; Vice-Pres., M. H. Bond; Cas., J. D. Briggs.
Ionia—Bank of Ionia; capital, $10,000; Pres., J. P. Ficken; Vice-Pres., Edward Knoop; Cas., J. F. Howe; Asst. Cas., Chas. O. Howe.
Joplin—Conqueror Trust Co., capital, $100,000; Pres., Wm. Hauk; Vice-Pres., P. E. Harney; Treas., G. B. Carstarphen.
Magnolia—Bank of Magnolia; capital, $5,000; Pres., J. W. Wall; Vice-Pres., G. R. Hindman; Cas., W. E. Kissinger.
Norwood—Bank of Norwood; capital, $5,000; Pres., A. L. Pope; Cas., J. A. Bradford.
Tipton—Farmers' Bank; capital, $12,500; Pres., S. W. Hurst; Vice-Pres., T. S. Collison; Cas., W. P. Kuttenkuler.
Wentzville—Wentzville Bank; capital, $10,000; Pres., W. F. Karrenbrock; Vice-Pres., T. A. Foster; Cas., Ed. S. Walker.

MONTANA.

Mondak—Yellowstone River Bank; capital, $5,000; Pres., J. J. Laney; Vice-Pres., H. C. De Laney; Cas., J. E. Shattuck.

NEBRASKA.

Cornlea—State Bank; capital, $10,000; Pres., H. A. Clarke; Vice-Pres., Peter Bender; Cas., J. J. Dickey.
Funk—Funk State Bank; capital, $6,000; Pres., S. C. Stewart; Vice-Pres., J. S. Johnson; Cas., A. Franzen.
Meadow Grove—Farmers' & Merchants' Bank; capital, $10,000; Pres., W. H. Stocker; Vice-Pres., A. J. Dunlevy; Cas., W. H. Stocker.

NEW JERSEY.

Trenton—Mercer Trust Co.; capital, $100,000; Pres., Wm. G. Howell; Vice-Pres., Aug. M. Crook; Treas., H. Arthur Smith; Sec., R. C. Chamberlain.

NEW MEXICO.

Aztec—Citizens' Bank; capital, $15,000; Pres., W. H. Williams; Vice-Pres., J. R. Williams; Cas., T. A. Pierce.

NEW YORK.

Au Sable Forks—A. C. Wilcox & Co.; A. C. Lingo, Cas.
Cohocton—A. C. Wilcox & Co.; Cas., F. A. Townsend.
Nanuet—A. C. Wilcox & Co.; Cas., P. H. Alexander.
Newark—Newark State Bank (successor to Pierson & Pierson); capital, $50,000; Pres., Calvin P. H. Vary; Vice-Pres., S. S. Pierson; Cas., S. Ray Pierson.
Newark Valley—A. C. Wilcox & Co.; Cas., J. C. Lingo.
Nicholville—A. C. Wilcox & Co.; Cas., E. M. Mansell.
Trumansburg—State Bank; capital, $25,000; Pres., James K. Wheeler; Vice-Pres., W. P. Biggs and A. G. Stone.

NORTH CAROLINA.

Andrews—Merchants' & Manufacturers' Bank; capital, $10,000; Pres., W. P. Walker; Vice-Pres., Stephen Porter; Cas., C. M. Wickerson.
Duke—Bank of Harnett; capital, $10,000; Pres., B. N. Duke; Vice-Pres., W. A. Erwin; Cas., E. R. Haskins; Asst. Cas., E. P. Davis.
Edenton—Citizens' Bank; capital, $25,000; Pres., W. T. Old; Vice-Pres., H. C. Privatt; Cas., Chas. H. Wood.
Hendersonville—Commercial and Savings Bank; capital, $16,000; Pres., W. J. Davis; Vice-Pres., Geo. I. White; Cas., K. G. Morris.
Milton—Bank of Caswell; capital, $5,000; Pres., R. L. Watt; Vice-Pres., James A. Hurdle; Cas., E. Hines, Jr.
Southern Pines—Bank of Southern Pines (successors to Geyer & Sons); Pres., A. A. Heizmann; Cas., R. E. Geyer.

NORTH DAKOTA.

Minot—Minot State Bank; capital, $10,000.
Munich—Farmers' Bank; capital, $10,000; Pres., Adam Hannah; Cas., B. Landmark; Asst. Cas., P. J. Antony.
Richardton—Richardton State Bank; capital, $10,000; Pres., Chas. Kranth; Vice-Pres., C. L. Timmerman; Cas., Lewis Davis.

OHIO.

Cleveland—People's Savings Bank Co. (successor to People's Savings Loan Assn.); capital, $200,000; Pres., R. R. Rhodes; Vice-Pres., N. Purdy and L. Schlather; Treas., J. H. Dexter; Asst. Treas., Henry Kiefer.
Columbus—Lincoln Savings Bank Co.; capital, $50,000; Pres., Geo. W. Bright; Vice-Pres., W. H. Holliday; Cas., Wordsworth Gard.
Lorain—Lorain Savings & Trust Co. (successor to Lorain Savings & Banking Co.); capital, $100,000; Pres., E. M. Piene; Vice-Pres., D. Wallace; Treas., A. V. Hageman; Asst. Treas., J. M. Jones.
Morral—Morral Banking Co.; capital, $25,000; Pres., Wm. Mahaffey; Vice-Pres., C. W. Jacoby; Cas., J. H. Bardon; Asst. Cas., John Martin.
Russellville—Bank of Russellville; capital, $15,000; Pres., S. A. Davis; Vice-Pres., J. A. Hodkins; Cas., J. G. Humlong.
Toledo—Hoehler & Cummings.—Leon J. Alcorn Co.; capital, $100,000.

OREGON.

Bandon—Bank of Bandon; Pres., J. T. Kronenburg; Vice-Pres., J. Denhaten; Cas., F. J. Fahey.

Helix—Bank of Helix; capital, $25,000; Pres., E. L. Smith; Vice-Pres., Chas. McAlavy; Cas., A. B. Montgomery; Asst. Cas., F. H. Richmond.

Lakeview—Lake County Loan & Savings Bank; capital, $20,000; Pres., W. H. Shirk; Vice-Pres., H. A. Brattain; Cas., S. O. Cressler; Asst. Cas., Dick J. Wilcox.

PENNSYLVANIA.

Avalon—Avalon Bank; capital, $50,000; Pres., W. J. K. Snyder; Vice-Pres., H. P. McCurdy; Cas., J. C. Nevin.

Reynoldsville—Reynoldsville Banking & Trust Co.; capital, $125,000; Pres., David Wheeler; Vice-Pres., Geo. W. Sykes; Cas., John S. Howard; Asst. Cas., Robert Parrish.

SOUTH CAROLINA.

Charleston—Commercial Savings Bank; capital, $50,000; Pres., Tristram T. Hyde; Cas., C. U. Klatte.

SOUTH DAKOTA.

Raymond—Raymond State Bank; capital, $5,000; Pres., C. S. Amundson; Vice-Pres., R. H. Armstrong; Cas., P. H. Schaller.

Revillo—First State Bank (successor to Security Bank); capital, $10,000; Pres., Thomas Daylor; Vice-Pres., P. I. Daylor; Cas., Thomas Daylor, Jr.

TENNESSEE.

Charlotte—Bank of Charlotte; capital, $10,000; Pres., W. L. Cook; Vice-Pres., O. R. Leech.

Cottage Grove—Cottage Grove Banking and Trust Co.; capital, $10,000; Pres., J. L. Raney; Cas., J. N. Puryear; Asst. Cas., J. C. Rainey.

TEXAS.

Alvarado—Alvarado Banking Co.; capital, $25,000; Pres., W. H. Grove; Vice-Pres., Ben O. Smith; Cas., Geo. R. Hallman; Asst. Cas., T. J. Holloway.

Dallas—O'Connor & Bergeron.

Dawson—Dawson Banking Co.; Pres., C. W. Jester; Vice-Pres., J. A. Buckingham and S. W. Johnson; Cas., R. A. Cardwell.

Forreston—Citizens' Bank; capital, $10,000; Pres., J. H. Hamlin; Vice-Pres., T. A. Ferris; Cas., R. C. Johnston.

Jefferson—Merchants' and Planters' Bank; capital, $25,000; Pres., W. Q. Bateman; Vice-Pres., J. H. Rowell, Sr.; Cas., W. Q. Bateman, Jr.

Leonard—Continental Bank and Trust Co.; Cas., C. A. Sanford.

Randolph—Continental Bank and Trust Co.; Asst. Cas., B. A. Marcom.

VIRGINIA.

Chase City—First State Bank; capital, $25,000; Pres., Geo. A. Endly; Vice-Pres., O. E. Boyd and A. W. Magee; Cashier, R. D. Patterson.

Clarksville—First State Bank; Cas., O. E. Boyd.

Monterey—Bank of Highland (successor to Highland Bank); capital, $15,000; Pres., J. R. Gilliam; Cas., J. A. Jones; Asst. Cas., Glenn Mauzy.

Roanoke—Virginia Banking Co.,; capital, $5,000; Pres., James D. Johnston; Vice-Pres., S. B. Pace; Cas., M. B. Pace.

WASHINGTON.

Fairfield—Bank of Fairfield; capital, $20,000; Pres., J. W. Hughes; Vice-Pres., C. A. Loy; Cas., C. H. Blount.

WISCONSIN.

Bagley—Bagley State Bank; capital, $5,000; Pres., A. Calkins; Vice-Pres., H. L. Harvey; Cas., W. F. Lindemann.

Iron Ridge—Commercial State Bank; capital, $10,000; Pres., Jacob Kloeckner; Vice-Pres., Wm. Kloeckner; Cas., John Kloeckner; Asst. Cas., Peter Kloeckner.

North Fond Du Lac—First Wisconsin Bank; capital, $25,000; Pres., S. D. Wyatt; Vice-Pres., A. J. Pullen; Cas., C. L. Carberry; Asst. Cas., F. R. Givens.

Theresa—Theresa State Bank; capital, $8,000; Pres., Gustav Ruecker; Vice-Pres., J. P. Stone; Cas., Wm. F. Briemann.

CANADA.

BRITISH COLUMBIA.

Kelowna—Bank of Montreal; H. G. Fisher, Agt.

MANITOBA.

Killarney—Bank of Hamilton; A. W. Nelles, Mgr.

ONTARIO.

Blind River—Traders' Bank of Canada; F. D. Johnson, Mgr.

Galt—Bank of Toronto; F. A. Brodie, Mgr.

London—Sovereign Bank of Canada; F. E. Karn, Mgr.

North Gower—Union Bank of Canada; Joseph Anderson, Mgr.

Peterboro—Bank of Nova Scotia; E. T. Hammell, Mgr.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Birmingham—First National Bank; J. H. Barr, Cas. in place of W. W. Crawford; F. S. Foster and Thomas Bowran, Asst. Cas.

Dempolis—First National Bank; M. A. Hanly, Pres. in place of John S. Hanly, deceased.

Huntsville—Huntsville Bank & Trust Co.; successor to Farmers' and Merchants' National Bank and Huntsville Savings Bank & Trust Co.

Talladega—Isbell National Bank; J. F. Reynolds, Cas. in place of F. P. McConnell.

Thomasville—First National Bank; Jno. S. Henson, Cas. in place of T. W. Tucker.

ARKANSAS.

Fort Smith—American National Bank; T. W. M. Boone, Vice-Pres. in place of E. H. Stevenson.

Hot Springs—Citizens' National Bank; Claude E. Marsh, Asst. Cas.

CALIFORNIA.

Los Angeles—Los Angeles National Bank; Dan Murphy and W. J. Doran, Vice-Presidents.
San Diego—American National Bank; H. C. Keller, Vice-Pres. in place of Chas. E. Sumner; H. E. Mills, Vice-Pres.
Santa Barbara—Santa Barbara County National Bank; C. A. Edwards, Pres. in place of E. S. Sheffield, deceased; E. R. Spaulding, Vice-Pres. in place of C. A. Edwards.

COLORADO.

Fountain—First National Bank; Casper Broemmel, Pres. in place of Gordon Jones; no Asst. Cas. in place of Casper Broemmel.
Hotchkiss—First National Bank; J. E. Hanson, Vice-Pres.
Littleton—First National Bank; I. J. Meade, Cas.

CONNECTICUT.

Bristol—Bristol National Bank; Edward B. Dunbar, Pres. in place of C. S. Treadway, deceased; Chas. T. Treadway, Vice-Pres. in place of E. B. Dunbar.

DELAWARE.

Georgetown—First National Bank; Landreth L. Layton, Pres. in place of Jno. L. Thompson.

FLORIDA.

Jacksonville—Atlantic National Bank; D. D. Upchurch and J. Denham Bird, Asst. Cashiers.
Miami—Fort Dallas National Bank; Milton W. Curry and R. R. McCormick, Vice-Pres.; Geo. R. Gomph, Cas. in place of C. L. Hobbs.
Milton—First National Bank; L. G. McNabb, Asst. Cas.

GEORGIA.

Barnesville—First National Bank; W. H. Mitchell, Vice-Pres. in place of W. B. Smith.
Calhoun—Calhoun National Bank; A. B. David, Cas.
Dawson—Dawson National Bank; R. L. Saville, Cas. in place of M. M. Lowrey; F. E. Clark, Asst. Cas.

IDAHO.

Coeur D'Alene—First National Bank; J. T. Carroll, Vice-Pres.; Harry A. Kunz, Cas. in place of F. L. Wells; no Asst. Cas. in place of Harry A. Kunz.
Emmett—First National Bank; C. P. Bilderback, Pres.; in place of W. R. Cartwright; John McNish, Vice-Pres. in place of C. P. Bilderback; Jay Bilderback, Asst. Cas.
Hailey—Rockwell & Co.; capital increased to $50,000.

ILLINOIS.

Anna—First National Bank; Ed. Samson, Asst. Cas.
Chicago—Prairie National Bank; F. J. Kinney, Asst. Cas.—Fort Dearborn National Bank; capital increased to $1,000,000.
Earlville—First National Bank; Geo. W. Mundie, Vice-Pres. in place of S. L. Jinks.
East St. Louis—Southern Illinois National Bank; no Vice-Pres. in place of Anthony Isch.
Elgin—First National Bank; A. C. Hawkins, Cas. in place of Alfred Bosworth; E. S. Hubbell, Asst. Cas. in place of A. C. Hawkins; Neil Bosworth, Second Asst. Cas.—Elgin City Banking Co.; Geo. Glos, Cas. in place of A. C. Hawkins.
Fairfield—First National Bank; F. M. Brock, Cas. in place of E. E. Crebs; Jos. G. Boggs, Asst. Cas.
Kinmundy—First National Bank; William H. White, Vice-Pres. in place of John W. Vickrey.
Mattoon—First National Bank; G. S. Richmond, Vice-Pres.; R. A. Bareuther, Cas. in place of G. S. Richmond; W. T. Osborne, and C. H. Hoots, Asst. Cashiers.
Mount Olive—First National Bank; Louis J. Hartke, Asst. Cas.
Mulberry Grove—First National Bank; Gertrude L. Osborne, Asst. Cas.
National Stock Yards—Stock Yard Bank; Geo. H. Bradford, Cas., deceased.
Raymond—First National Bank; J. C. Terry, Asst. Cas. in place of J. H. Cass.
Shelbyville—First National Bank; H. M. Scarborough, Pres. in place of A. Middlesworth; W. S. Middlesworth, Vice-Pres. in place of H. M. Scarborough; no Second Vice-Pres. in place of W. S. Middlesworth.
Springfield—Illinois National Bank; Edgar S. Scott, Vice-Pres.
Strawn—Farmers' National Bank; G. W. McCabe, Pres. in place of W. R. Hamilton, Jr.

INDIANA.

Anderson—National Exchange Bank; Isaac E. May, Vice-Pres. in place of B. W. Scott.
Freeland Park—First National Bank; F. D. Vennum, and Horace Russell, Vice-Presidents; J. H. Brewer, Asst. Cas.
Greens Fork—First National Bank; D. C. Moore, Cash. in place of F. M. Taylor; H. C. Ballenger, Asst. Cas. in place of Claude S. Kitterman.
Lawrenceburg — Citizens' National Bank; C. O'Brien, Cas. in place of Charles H. Lommel; no Asst. Cas. in place of C. O'Brien.
Mooresville—First National Bank; John Gibbs, Vice-Pres. in place of John Webb; John C. Webb, Asst. Cas.
Muncie—People's National Bank; N. E. Black, Vice-Pres. in place of Walter Snider.
New Harmony—First National Bank; Lucian Hayden, Asst. Cas. in place of Harold Stephens.
Rushville—Rush County National Bank; Lewis M. Sexton, Asst. Cas.
Thorntown—Home National Bank; R. J. Ferguson, Vice-Pres. in place of Stephen Ward; J. E. Leatherman, Cas. in place of L. H. Jordon.

INDIAN TERRITORY.

Byars—First National Bank; no Asst. Cas. in place of Thomas N. Byars.
Calvin—First National Bank; Fred C. Russell, Vice-Pres. in place of Frank Craig; O. W. Connally, Cas. in place of F. C. Russell; no Asst. Cas. in place of O. W. Connally.
Durant—First National Bank; Chester

C. Johnson, Cas. in place of W. H. Lawrence; no Asst. Cas. in place of Chester C. Johnson.
Henryetta—First National Bank; J. M. Wise, Vice-Pres. in place of John F. Wise.
Mannsville—First National Bank; E. E. McGuinn, Vice-Pres. in place of D. L. McGuinn; E. V. Wolverton, Vice-Pres.
Stigler—American National Bank; C. S. Stocker, Pres. in place of L. C. Parmenter; J. S. Blankinship, Vice-Pres.
Tulsa—City National Bank; A. F. Ault, Pres. in place of Wm. J. Trimble; C. L. Reeder, Vice-Pres. in place of Geo. W. Mowbray; J. D. Hagler, Cas. in place of J. M. Hall.
Vinita—Farmers' National Bank; J. A. Leforce, Vice-Pres.
Wapanucka—First National Bank; E. O. Loomis, Vice-Pres. in place of C. A. Skeen.

IOWA.

Clarinda—Clarinda National Bank; H. E. Parslow, Pres. in place of F. W. Parish, deceased.
Cumberland—First National Bank; P. H. Pettinger, Cas. in place of C. A. Baker; C. A. Baker, Asst. Cas. in place of P. H. Pettinger.
Deep River—First National Bank; W. W. Kirker, Vice-Pres. in place of R. J. McLain.
Des Moines—Citizens' National Bank; S. A. Merrill, Vice-Pres. in place of J. Callanan.
Hudson—First National Bank; Thomas Loonan, Pres. in place of John H. Leavitt; F. R. Hollis, Vice-Pres. in place of Thomas Loonan.
Keokuk—Keokuk National Bank; Edwin F. Brownell, Cas., deceased.
Lost Nation—First National Bank; M. W. Burnett; Pres. in place of A. H. Gish; J. D. Busch, Vice-Pres. in place of Emil Ruggeberg; A. L. Cook, Cas. in place of H. A. Mohl; no Asst. Cas. in place of Fred Dickman.
Pocahontas—First National Bank; E. F. Shors, Asst. Cas. in place of C. W. Gilchrist.
Williams—First National Bank; C. M. Trumbauer, Asst. Cas.
Winterset—First National Bank; S. D. Alexander, Vice-Pres.
Wyoming—First National Bank; Fred. H. Foote, Pres. in place of John K. Pixley.

KANSAS.

Dodge City—National Bank of Commerce; H. W. Earlougher, Asst. Cas.
Minneapolis — Minneapolis National Bank; F. L. Flint, Pres. in place of B. F. Bracken; H. E. Hurley, Vice-Pres. in place of F. I. Flint.
Mount Hope—First National Bank; no Cas. in place of R. E. Pierce; J. M. Taylor, Asst. Cas.
Washington — Washington National Bank; August Soller, Second Vice-Pres., J. M. Jones, Asst. Cas.
Wichita—National Bank of Wichita; Geo. M. Brown, Asst. Cas.

KENTUCKY.

Bowling Green—Potter, Matlock & Co., succeeded by Potter-Matlock Bank & Trust Co.
Georgetown—Bank of Georgetown; Claude L. Garth, Pres. deceased.
Mayfield—Farmers' National Bank; J. F. Kirksey, Vice-Pres. in place of A. B. Colley.—City National Bank; no Asst. Cas. in place of R. M. Mayes.
Olive Hill—Olive Hill National Bank; Claude Wilson, Pres. in place of W. J. Rice; W. J. Rice, Cas. in place of Claude Wilson; Carey L. Rice; Asst. Cas.
Paris—Citizens' Bank; James H. Hughes, Pres., deceased.
Williamsburg—First National Bank; T. C. Perkins, Cas. in place of J. H. Hill.
Winchester—Citizens' National Bank; J. D. Simpson, Pres. in place of S. W. Willis; S. W. Willis, Vice-Pres. in place of J. D. Simpson.

LOUISIANA.

Jennings—First National Bank; F. F. Morse, Vice-Pres.
Monroe—Monroe National Bank; J. Baer, Vice-Pres. in place of H. Meyer, deceased.
New Roads—First National Bank; A. J. Lacour, Vice-Pres. in place of J. O. Delage.

MAINE.

Augusta—Augusta Savings Bank; Leslie C. Cornish, Pres. in place of Joseph H. Manley, deceased; Lendall Titcomb, Vice-Pres. in place of Leslie C. Cornish.
Bangor—Merchants' National Bank; Arthur Chapin, Vice-Pres.
Bath—First National Bank; Charles H. Potter, Cas., deceased.
Belfast—Belfast National Bank; succeeded by City National Bank.
Caribou—Caribou National Bank; R. A. Shaw, Vice-Pres. in place of Jefferson Cary.
Madison—First National Bank; K. C. Gray, Vice-Pres. in place of C. A. Wilber.

MARYLAND.

Baltimore—Western National Bank; no Vice-Pres. in place of James Shriver.
Port Deposit—National Bank of Port Deposit; W. W. Hopkins, Vice-Pres.
Salisbury—Salisbury National Bank; W. P. Jackson, Pres. in place of W. B. Tilghman; Wm. B. Tilghman, Vice-Pres. in place of W. P. Jackson.
Upper Marlborough—First National Bank of Southern Maryland; Chas. A. Wells, Pres. in place of A. T. Robinson.

MASSACHUSETTS.

Hopkinton—Hopkinton Savings Bank; Lowell B. Maybry, Pres., deceased.
Lowell—Old Lowell National Bank; Charles M. Williams, Pres., Francis N. Chase, Cas.
New Bedford—First National Bank; Frank B. Chase, Asst. Cas.
Rockport—Rockport National Bank; A. M. Tupper, Vice-Pres.

MICHIGAN.

Detroit—Old Detroit National Bank, W. H. Fowler, Asst. Cashier in place of A. W. Ehrman.
Houghton—Citizens' National Bank; Graham Pope, Pres. in place of Reginald C. Pryor.
Ithaca—Ithaca National Bank; Chas. H. Rowland, Vice-Pres.
Marquette—Marquette National Bank; Fred H. Begole, Vice-Pres. in place

of F. W. Read; D. W. Powell, Vice-Pres.; R. A. Young, Second Asst. Cas.

MINNESOTA.

Ada—First National Bank; P. E. Dalquist, Asst. Cas.
Argyle—First National Bank; Burt J. Thompson, Pres. in place of J. F. Thompson; N. S. Hegnes, Vice-Pres. in place of B. J. Thompson.
Austin—Austin National Bank; J. L. Mitchell, Vice-Pres.
Breckenridge—First National Bank; Howard Dykman, Second Vice-Pres.; F. W. Johnson, Cas. in place of Howard Dykman; no Asst. Cas. in place of F. W. Johnson.
Cambridge—First National Bank; Aurelia E. Engberg, Asst. Cas.
East Grand Forks—First National Bank; E. Arneson, Pres. in place of W. H. Pringle; F. A. Sullivan, Vice-Pres.
Lake Benton—First National Bank; no asst. Cas. in place of C. A. Adams.
Marshall—Lyon County National Bank; James Lawrence, Vice-Pres. in place of A. D. Forbes.
Winona—Merchants' Bank; Emerson D. Dyar; Pres., deceased.
Worthington—Citizens' National Bank; I. P. Fox, Asst. Cas.

MISSISSIPPI.

Clarksdale—First National Bank; W. R. Alcorn, Asst. Cas.
Gulfport—First National Bank; A. C. Purple, Asst. Cas.

MISSOURI.

Cowgill—First National Bank; J. H. Wild, Asst. Cas.
Joplin—Joplin National Bank; A. E. Spencer, Pres. in place of Galen Spencer, deceased.
Kansas City—American National Bank; C. W. Allendorfer, Asst. Cas.

MONTANA.

Kalispell—First National Bank; W. D. Lawson, Asst. Cas.
Plains—First National Bank; no Asst. Cas. in place of W. L. Hull, deceased.

NEBRASKA.

Anoka—Anoka National Bank; W. W. Roberts, Cas. in place of S. A. Richardson.
Fairfield—Bank of Fairfield; sold out to Citizens' Bank.
Falls City—First National Bank; J. H. Miles, Pres. in place of John W. Holt.
Minden—First National Bank; C. S. Rogers, Asst. Cas.
Norfolk—Norfolk National Bank; E. W. Zutz, Vice-Pres. in place of D. Mathewson; L. P. Pasewalk, Cas. in place of E. W. Zutz.
Pilger—First National Bank; A. L. Hildreth, Asst. Cas.
St. Edward—Smith National Bank; no Cas. in place of W. A. L. Gibbon.

NEVADA.

Reno—Farmers & Merchants' National Bank; Fred Grob, Asst. Cas. in place of A. H. Smith.

NEW HAMPSHIRE.

Keene—Keene National Bank; capital increased to $200,000.
Rochester—Rochester National Bank; Ernest N. Goodwin, Asst. Cas.

NEW JERSEY.

Hoboken—Second National Bank; C. H. C. Jagels, Vice-Pres. in place of William Machold; Allen N. Terbell, Second Asst. Cas.
Jamesburg—First National Bank; M. I. Voorhees, Cas. in place of Benjamin S. Everett; William H. E. Brooks, Asst. Cas.
Long Branch—First National Bank; C. H. Valentine, Vice-Pres. in place of H. S. Little.
Riverside—Riverside National Bank; Henry L. Greeg, Pres. in place of Charles Mitsch.
Swedesboro — Swedesboro National Bank; G. M. Ashton, Asst. Cas.

NEW MEXICO.

Farmington—First National Bank; Wm. H. Avery, Pres. in place of Isaac W. Dannels.

NEW YORK.

Albany—National Savings Bank; Egbert B. King, Treas.
Canastota—State Bank; capital increased to $60,000.
Glens Falls—Glens Falls National Bank; S. Brown, Pres. in place of J. W. Finch; Geo. R. Finch, Vice-Pres. in place of S. Brown.
Granville—Washington County National Bank; Fred. W. Davies, Asst. Cas.
Hobart—National Bank of Hobart; J. Howard Scott, Asst. Cas.
Huntington—First National Bank; W. Wilton Wood, Pres. in place of James N. Brown; Geo. C. Hendrickson, Vice-Pres. in place of W. Wilton Wood.
New Paltz—Huguenot National Bank; Frank J. LeFevre, Pres. in place of Jacob LeFevre, deceased.
New Rochelle—National City Bank; S. B. Westervelt, Asst. Cas.
New York City—Winslow, Lanier & Co., Edward Winslow, deceased.—New York National Exchange Bank; no Asst. Cas. in place of Frank M. Burger.—Merchants' Exchange Nat. Bank; E. K. Cherrill, Asst. Cas.—Sprague National Bank, Brooklyn; Geo. W. Chauncey, Pres.
Owego—Tioga National Bank; C. D. Yothers, Asst. Cas.
Port Henry—Citizens' National Bank; Eugene Wyman, Pres. in place of J. W. Wyman, deceased; Lee F. Phelps, Cas. in place of Eugene Wyman.
Port Jervis—National Bank of Port Jervis; E. F. Mapes, Acting Cas. in place of R. D. Muir.
Rome—First National Bank; T. H. Stryker, Pres. in place of J. S. Haselton.
Salem—People's National Bank; J. B. Stone, Pres. in place of W. C. Larmon; Nelson Pratt, Vice-Pres. in place of J. B. Stone.
Sherburne—Sherburne National Bank, Walter S. Sanford, Cas. in place of M. D. Botsford.
Syracuse—Salt Springs National Bank; Francis H. Gates, Pres. in place of W. H. Stansfield; W. H. Stansfield, Vice-Pres. in place of Robert Hudson.—Third National Bank; Lucius G. Lacy, Cas. in place of L. H. Groesbeck; no Asst. Cas. in place of Lucius G. Lacy.
Spring Valley—First National Bank;

Geo. M. Dunlop, Vice-Pres. in place of G. Requa.

Ticonderoga—First National Bank; C. E. Bennett, Pres. in place of R. L. De Lano; I. C. Newton, Vice-Pres. in place of C. E. Bennett.

Wellsville—Citizens' National Bank; Wm. J. Richardson, Pres. in place of Elmore A. Willets; T. P. Otis, Vice-Pres. in place of E. C. Brown; E. C. Brown, Cas. in place of Wm. J. Richardson.

NORTH CAROLINA.

Charlotte—Charlotte National Bank; J. F. Robertson, Vice-Pres.

Elizabeth City—First National Bank; L. S. Blades, Vice-Pres. in place of James B. Blades.

Winston-Salem—People's National Bank; no Cas. in place of T. A. Wilson, deceased; Frank W. Stockton, Asst. Cas.

NORTH DAKOTA.

Enderlin—First National Bank; H. C. Fox, Asst. Cas.

Fargo—Red River Valley National Bank; Robert Jones, Pres. in place of R. S. Lewis; John W. von Nieda, Vice-Pres. in place of John S. Watson; Fred A. Irish, Cas. in place of John W. von Neida; no Asst. Cas. in place of Fred A. Irish.

Maysville—First National Bank; M. P. Cassell, Cas. in place of J. Rosholt.

Williston—First National Bank; B. J. Schouge, Asst. Cas. in place of O. W. Bell.

OHIO.

Bellaire—First National Bank; A. O. Mellott, Vice-Pres.

Canton—City National Bank; Wm. H. Clark, Pres. in place of W. W. Clark; A. B. Clark, Vice-Pres. in place of Samuel O. Laughlin.

Chillicothe—Central National Bank; J. B. Scearce, Pres. in place of Thomas G. McKell, deceased.

Columbus—Commercial National Bank; W. F. Hoffman, Pres. in place of W. F. Goodspeed, deceased; J. A. Jeffrey, Vice-Pres.; G. A. Archer, Cas. in place of W. F. Hoffman; no Asst. Cas. in place of G. A. Archer.

Mason—First National Bank; W. E. Scott, Pres. in place of J. C. Bennett; W. E. McClurg, Vice-Pres.

New Holland—First National Bank; I. N. Beatty, Vice-Pres. in place of M. S. Bartholomew.

Weston—First National Bank; J. V. Beverstock, Asst. Cas.

Zanesville—Old Citizens' National Bank; H. C. Van Voorhis, Pres. in place of Willis Bailey, deceased; S. A. Weller, Vice-Pres. in place of H. C. Van Voorhis.

OKLAHOMA.

Anadarko—National Bank of Anadarko; William Grimes, Vice-Pres.

Hobart—City National Bank; J. A. Barber, Vice-Pres. in place of S. A. Holcomb.

Pawnee—Arkansas Valley National Bank; W. B. Webb, Vice-Pres. in place of Robert Chasteen.

Shawnee—First National Bank; H. G. Beard, Pres. in place of J. H. Maxey; G. M. D. Steel, Vice-Pres. in place of H. G. Beard.

Tecumseh—First National Bank; Geo. L. Rose, Pres. in place of Samuel Clay; E. C. Nichols, Vice-Pres. in place of T. M. Phoup; H. R. Nichols, Cas. in place of John W. Lewis; no Asst. Cas. in place of A B. Lewis.

Watonga—First National Bank; Jerome Harrington, Pres. in place of W. R. Kelly; A. H. Keith, Vice-Pres. in place of John H. Dillon.

OREGON.

Arlington—Arlington National Bank; F. T. Hurlburt, Vice-Pres. in place of W. W. Striever; O. D. Sturgess, Cas. in place of F. F. Hurlburt; no Asst. Cas. in place of O. D. Sturgess.

Corvallis—First National Bank; Walter T. Wiles, Vice-Pres. in place of C. E. Moor; Geo. E. Lilly, Cas. in place of Walter T. Wiles; C. H. Woodcock, Asst. Cas. in place of Geo. E. Lilly.

La Grande—La Grande National Bank; J. M. Church, Cas., deceased.

Roseburg—First National Bank; S. A. Sanford, Cas. in place of W. T. Wright.

PENNSYLVANIA.

Beaver Falls—First National Bank; Geo. Davidson, Pres. in place of John Reeves; F. N. Beegle, Vice-Pres. in place of J. M. May; W. F. Bell, Cas. in place of H. W. Reeves; no Asst. Cas. in place of W. F. Bell.

Finleyville—First National Bank; J. F. Boyer, Cas. in place of S. F. Boyer; no Asst. Cas. in place of N. H. Boyd.

Masontown—Masontown National Bank; Thomas A. Hoover, Vice-Pres. in place of J. B. Shawman.

Montoursville—First National Bank; S. A. Weaver, Asst. Cas.

Montrose—Farmers' National Bank; W. J. Baker, Pres. in place of A. H. McCollum; W. A. Titsworth, Vice-Pres. in place of G. P. Little.

Mount Morris—Farmers & Merchants' National Bank; W. J. Headlee, Vice-Pres. in place of J. B. Morris.

New Brighton—Old National Bank; Geo. Davidson, Vice-Pres.; C. E. Kennedy, Asst. Cas.

New Cumberland—New Cumberland National Bank; F. E. Coover, Cas. in place of G. W. Reilley.

York—First National Bank; M. H. McCall, Pres. in place of Jacob D. Schall, deceased; R. H. Shindel, Vice-Pres.

SOUTH CAROLINA.

Batesburg—First National Bank; W. W. Watson, Pres. in place of T. B. Kernaghan; D. B. Rawl, Cas. in place of W. W. Watson.

Bennettsville—Planters' National Bank; W. B. Drake, Jr., Cas. in place of S. Shelton; no Asst. Cas. in place of W. B. Drake, Jr.

Spartanburg—American National Bank; Jos. Norwood, Cas. in place of T. B. Stackhouse.

SOUTH DAKOTA.

Belle Fourche—First National Bank; T. J. Steele, Pres. in place of Geo. H. Rathman; Thomas H. Gay, Vice-Pres.

Black Hills—Black Hills Trust & Savings Bank; capital increased to $100,000.

Clark—Clark County National Bank; Chas. Carpenter, Asst. Cas.

Hot Springs—Hot Springs National

Bank; A. G. Hull, Pres. in place of E. S. Kelly, K. G. Stewart, Vice-Pres.
Toronto—First National Bank; Ole G. Tuve, Vice-Pres. in place of Hans Mathison.

TENNESSEE.

Jackson—Jackson Banking Co.; Geo. C. Wilkerson, Cas., resigned.
Memphis—First National Bank; James Lee, Vice-Pres., deceased.

TEXAS.

Albany—First National Bank; N. L. Bartholomew, Pres. in place of G. T. Reynolds; G. T. Reynolds, Vice-Pres. in place of N. L. Bartholomew.
Alvarado—First National Bank; W. C. Glasgow, Asst. Cas.
Alvin—First National Bank; E. S. Atkinson, Asst. Cas. in place of T. Wilburn.
Celina—First National Bank; A. P. Marsh and P. M. Shipley, Vice-Presidents.
Childress—City National Bank; C. W. Mitchell, Cas. in place of J. R. Neff; no Asst. Cas. in place of C. W. Mitchell.
Covington—First National Bank; H. H. Simmons, Pres. in place of J. Will Gilliam; D. M. McLarty, Vice-Pres.; no Asst. Cas. in place of D. D. Gathings.
El Paso—City National Bank; no Vice-Pres. in place of T. B. Dockery.
Ennis—Ennis National Bank; Phelps Terry, Second Asst. Cas.
Houston—T. W. House; J. H. B. House, Cas., deceased.

VERMONT.

White River Junction—National Bank of White River Junction; Geo. W. Smith, Pres., deceased.

VIRGINIA.

Franklin—Merchants & Farmers' Bank; J. D. Pretlow, Pres., deceased.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ILLINOIS.

Emington—Bank of Emington.
Forrest—Bank of Forrest.
Moline—First National Bank; in voluntary liquidation Feb. 10; absorbed by Illinois Trust Co.

MASSACHUSETTS.

Springfield—Agawam National Bank; in voluntary liquidation Feb. 15.

MINNESOTA.

Fertile—Citizens' National Bank; in voluntary liquidation Jan. 18.

NEBRASKA.

Odell—Bank of Odell.

NEW YORK.

New Brighton—First National Bank of Staten Island; in voluntary liquidation Feb. 25; absorbed by Corn Exchange Bank, N. Y.

NORTH CAROLINA.

Fayetteville—Bank of Fayetteville.

OHIO.

Cincinnati—National Lafayette Bank; in voluntary liquidation Feb. 14; consolidated with First National Bank.—Equitable National Bank; in voluntary liquidation Feb. 15; consolidated with Merchants' National Bank.

OKLAHOMA.

Carmen—First National Bank; in voluntary liquidation Feb. 4.

PENNSYLVANIA.

Rimersburg — Rimersburg National Bank; in voluntary liquidation Feb. 11; absorbed by First National Bank.

TEXAS.

Ferris—Citizens' National Bank; in voluntary liquidation Feb. 10; consolidated with Ferris National Bank.
Kyle—Kyle National Bank; in voluntary liquidation Feb. 1.

WEST VIRGINIA.

Elkins—Randolph National Bank; in voluntary liquidation Dec. 31.

More Bank Insurance.—The plan for insuring bank deposits, which seems to be meeting with considerable support, suggests the propriety of extending the scheme to include other classes. At present the noteholder practically monopolizes the principle of absolute security. While deposits are being made safe beyond question some consideration should be shown to the banks. It could be established by a little calculation that a small tax on loans and discounts would insure the prompt payment of these obligations; and not only that, but by accumulating a safety fund in this manner, the lending of credit would not be stopped in time of panic; and it is the stoppage of loans that makes a crisis most harshly felt. Besides, if the loans were insured, the deposits would probably take care of themselves. Of course, Jones who always pays his borrowings promptly might object to being taxed to pay for Brown's delinquency, but this objection would yield to altruistic arguments. When the loans and deposits are made secure it will be time to consider plans for insuring shareholders that they will never miss any dividends or fail to get back their investments.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, March 2, 1905.

A FURTHER INCREASE IN PRICES OF SECURITIES last month marked the growth of confidence of investors in the future. Even the passage of the Inter-State Commerce Commission freight-rate bill on February 9 by a practically unanimous vote in the House, 326 to 17, failed to develop a pessimistic sentiment. The measure was "rushed" through the House, which a few years ago a prominent statesman thanked Providence was not a deliberate body. It acted up to that view in its disposition of the freight-rate bill. The measure, however, will take up more time in the Senate, and it will be some time before that body will take it up. Should it finally become a law its constitutionality will undoubtedly be attacked in the United States Supreme Court.

No more striking illustration of the unconcern shown by investors regarding the threatened action of Congress probably could be offered, than in the quick sale of $75,000,000 new four per cent. bonds of the Southern Pacific Railroad Company. While the freight-rate bill was still pending in the House of Representatives the bonds were offered for sale, and the entire amount was disposed of in two hours, and twice the amount it is stated could have been sold. The bonds run for fifty years, and were sold at 97. A considerable amount was taken by financial institutions and some of the bonds were taken in Europe, but it is estimated that at least 500 different investors in the United States purchased the bonds. This is one of a number of large financial operations successfully conducted in recent years which show how the country has developed in wealth.

The money market continues easy, and if cheap money can make dear securities, the opportunity is being offered to put up the prices of stocks. That there is manipulation practiced by experts in the art goes without saying, and that the public has not yet rushed in to speculate as it did a few years ago, is also plainly apparent. It hardly seems likely that there will be a repetition of the experience of 1901 and 1902 until the lessons of that period are forgotten.

A reminder of that period came last month in the announcement of the purchase of the control of the Tennessee Coal and Iron Company, which involves the organization of another big steel trust. The outcome will be watched with much curiosity.

If the New York Stock Exchange reflects the conditions that exist or is discounting the future, prosperity is either present or to come. Except in the last three months of 1904 the stock market has not been as active in more than a year as it was in February. More than 25,000,000 shares were traded in during a month which is not only the shortest month of the year, but is annually depleted of two business days observed as holidays. In twenty-two days, four of them half-holidays, the transactions in stock reached this extraordinary total. In no previous February were as many shares dealt in, the previous high record being made in 1901 and then the month's transactions fell below 22,000,000 shares. Nearly 2,000,000 shares were dealt in on February 27 alone.

Transactions in bonds were also large, and the evidence points to a heavy investment demand for this class of securities. About $113,000,000, par value, of bonds were sold, exceeding by nearly $10,000,000 the record total of February, 1901. The sales were less than in January or in the last three months of 1904, still the daily average compares favorably even with those months.

There has been some advance in the prices of bonds, but stocks show the

greatest gains. Nearly everything on the list is ruling at the highest prices recorded in a long time. Compared with the lowest prices recorded in 1903 and 1904, the appreciation in values has been of extraordinary magnitude. Advances such as 128 per cent. in Lackawanna, 96 in Northwest, 85 in United States Rubber preferred, 72 in Tennessee Coal and Iron, 60 in Reading and from 30 to over 50 per cent. in numerous other stocks, indicate how remarkable has been the recovery since the autumn of 1903, when the lowest prices of that year were generally recorded. The following is a brief list of some stocks which show large advances compared with the lowest prices of 1903 and 1904:

	Lowest, 1903.	*Lowest, 1904.*	*Highest, Feb., 1905.*		*Lowest, 1903.*	*Lowest, 1904.*	*Highest, Feb., 1905.*
Atchison	54	64	91	Pullman	196	209	254
Bal. & Ohio	71⅝	72⅞	108¼	Reading	37⅛	38¾	97⅛
Cen. New Jersey	153	154⅛	205⅛	Southern Pacific	38⅝	41⅛	72⅝
St. Paul	133¼	137⅛	181	Union Pacific	65¾	71	137⅞
Northwest	153	161⅛	249	Amal. Copper	33⅝	43⅛	77⅞
Del. & Hudson	149	149	196	Anaconda Copper	58	61	110
Lackawana	230	250⅛	358	General Electric	136	151	189¼
Louisville & Nash.	95	101	141¼	Republic I.&S.pref	36¾	37	87⅛
Manhattan	126¼	139¾	175	Tennessee Coal	25⅞	31⅝	97¾
New York Central	112⅝	112⅞	161	U. S. Rubber.pref.	30¼	41	115
North American	68	80	105	U. S. Steel	10	8⅜	35⅝
Pennsylvania	110¾	111⅛	145¾	" pref	49¾	51¼	96

The securities of both railroads and industrial concerns have shared in the advance. It is conceded that the industrial situation has greatly improved. It is only necessary to turn to the iron trade for satisfactory evidence on this point. The "Iron Age," in reviewing the situation, says: "Leaders in the iron industry are growing rather uneasy over the accelerated pace which the markets are developing, and the indications of an unwelcome boom are multiplying. The tonnage produced and taken is of unprecedented volume, and yet in many branches makers are falling behind in deliveries, the only exceptions being steel rails and bridge material."

Pig iron production is now larger than it ever was before. On February 1 the weekly capacity of the coke furnaces was 402,292 tons. The highest previous record was 388,178 tons on June 1, 1903. On January 1, 1904, it had fallen to 185,636 tons. The production in January exceeded the total for any previous month, reaching 1,776,500 tons. Adding 20,000 tons of charcoal iron, the total is about 1,800,000 tons. The increase in output since January 1 has brought the rate of production up to 21,500,000 tons a year, or nearly 3,000,000 tons in excess of the largest production in any year in the past.

Consumption is keeping pace with production, so that there is no increase in stocks. The railroads have been placing large orders for cars and also for steel rails. This fact gives evidence of the improvement that has taken place in the position of the railroads, further evidence of which is to be found in the more favorable earnings. During a considerable part of 1904 the railroads suffered a serious falling off in business, yet as the returns for the calendar year are coming in, it is found that there was such a recovery in the late months of the year that the aggregate earnings for 1904 will make a larger total than those of 1903. The preliminary figures published by the "Financial Chronicle" show a gain of $11,000,000 on over 179,000 miles of road in 1904 as compared with 1903, and it estimates that the gain for all the roads will reach $15,000,000. Such a result following a loss of probably $20,000,000 in the first half of the year, testifies to the great recovery which has since occurred. Not all the railroads will be able to show a gain in earnings in 1904, however; in fact, a number will not. Yet the exceptions are few where there has not been material improvement in recent months.

In connection with the present earnings of the railroads and the advance that has occurred in the market values of their securities, some interest has been manifested in the financial condition of the leading railroad companies. The question is asked, Have the companies with their largely increased capital in recent years strengthened their position so as to be able to tide over successfully a long period of depression? Either as to individual roads or

collectively it is not possible to arrive at a satisfactory conclusion from the study of available data.

Some light may be had from an examination of the surplus balances which the roads carry in their balance sheets. But a railroad surplus is a doubtful quantity and means one thing with one company and a vastly different thing with another company. Very often it is not represented by a realizable asset. We, however, have gathered some statistics, and present them in the following table. In nearly all cases the surplus reported is for June 30 of each year, consequently the showing is probably not so favorable for 1904 as would have been made if the figures for December 31 could have been obtained.

The surplus of most of the roads mentioned in the table, it will be observed, has increased in the last two years. Yet in only a few cases does it amount to more than a small percentage of the total capital, and as even what there is does not represent available cash, it is plain enough why in bad times railroads frequently have to reduce their dividends or pass them altogether. The table is as follows:

	Capital stocks, 1904.	*Surplus, 1902.*	*Surplus, 1903.*	*Surplus, 1904.*
Atchison	$216,199,530	$16,027,415	$16,853,660	$19,187,003
Baltimore & Ohio	184,244,812	2,625,222	5,506,647	7,311,956
Canadian Pacific	84,500,000	14,185,635	18,846,176	17,561,046
Central of New Jersey	27,418,800	9,369,893	8,840,881	8,739,227
Chesapeake & Ohio	62,799,400	1,062,825	1,071,106	455,966
Chicago & Alton	39,086,800	500,157	569,438	693,346
Chic., Bur. & Quincy	821,973,526	13,022,599	13,151,468	18,294,779
Chic., Mil. & St. Paul	106,558,300	20,682,069	23,499,652	26,799,572
Chic. & Northwest.	73,673,401	10,706,417	11,890,672	14,016,971
Del., Lack. & Western	26,200,000	14,538,974	18,790,213	21,110,084
Denver & Rio Grande	82,400,000	3,377,643	8,156,975	3,090,160
Erie	176,271,300	8,449,615	9,645,143	11,043,352
Louisville & Nashville	60,000,000	7,723,682	8,292,710	11,684,426
Missouri, Kans. & Tex.	80,223,200	1,260,348	1,199,417	911,843
New York Central	132,245,100	15,834,667	15,890,580	15,911,253
New York, New Haven & Hart.	80,000,000	13,498,845	13,819,566	14,649,037
N. Y., Ontario & West.	58,113,983	5,763,232	6,142,935	6,099,388
Norfolk & Western	89,000,000	2,815,546	3,000,588	3,156,973
Reading	140,000,000	1,239,912	2,263,160	4,125,300
Rock Island	75,000,000	....	18,667,150	24,500,858
St. Louis & San Francisco	50,000,000	3,269,462	3,909,226	4,038,750
Southern	180,000,000	6,510,895	5,962,562	6,162,898
Union Pacific	208,329,800	21,361,692	21,132,240	26,005,682
Wabash	62,000,000	642,421	969,994	1,094,307
Wisconsin Central	30,000,000	632,049	717,622	433,046

Gold exports, which have been heavy since early in November, have ceased to be of any importance. Early in the month more than $11,000,000 was shipped to Paris and a new record was made for a single shipment on February 2. The Havre steamer "La Champagne" carried $9,130,000 gold on that date. This is the largest amount carried at one time, the previous high record being made on May 12, 1904, when $9,020,022 was shipped by one vessel. Beside the $11,000,000 sent to Paris, $11,000,000 of gold coin and gold certificates was shipped to Cuba on account of the Cuban loan negotiated last year. The final installment of this loan has now been paid. Shipments aggregating $2,750,000 were also made to Argentina. Altogether nearly $25,000,000 of gold was exported during the month. The movement has now ceased, and from the increased amount of gold now held in the European banks it is probable that no urgent demand for gold will be made upon us for the present. In January, the latest month for which full returns have been made, we exported nearly $15,000,000 net gold, which with the November and December movement, made about $41,000,000 parted with in the three months. February exports will bring the total net movement up to $60,000,000. The country has parted with all this gold without having suffered any inconvenience. The gold export movement has been in a way unseasonable. From December 1 until the end of March the movement of gold is usually to the United States. There have been frequent exceptions to this rule in the last twelve years, but only in 1892-3 and 1894-5 were exports of gold anything like as heavy during

that period as during the present time. The record since 1890-1 is shown as follows:

	December.	*January.*	*February.*	*March.*	*Four months.*
1890-1	$5,400,659	$669,672	*$3,444,842	* 4,541,566	*$1,916,077
1891-2	5,764,350	805,548	* 3,680,218	* 3,225,550	* 835,870
1892-3	*11,339,189	*12,213,553	*12,988,068	* 1,504,991	*38,045,801
1893-4	* 1,908,300	* 573,790	* 1,068,335	* 2,929,241	* 6,479,646
1894-5	* 9,424,489	*24,698,489	4,067,003	4,120,290	*25,935,635
1895-6	*14,067,838	* 24,576	9,468,286	354,596	* 4,269,522
1896-7	2,369,218	500,951	477,033	864,234	4,211,436
1897-8	2,004,409	3,834,751	5,132,269	29,979,613	40,951,042
1898-9	7,537,544	4,636,893	4,580,944	2,077,730	18,833,111
1899-0	* 6,237,265	* 3,698,598	507,458	839,756	* 8,558,649
1900-1	2,976,078	* 3,955,533	1,442,462	2,090,186	2,493,193
1901-2	* 1,952,601	* 567,888	* 6,968,513	* 1,796,633	*11,285,635
1902-3	* 666,476	1,924,900	311,086	3,525,130	5,094,640
1903-4	15,765,642	7,633,941	4,301,758	5,791,704	33,493,045
1904-5	*10,096,691	*14,932,477	....	....	....

* Net exports.

The latest cotton-ginning report of the Government indicates that the 1904 cotton crop will reach a total of 13,000,000 bales—a bumper yield. The size of this crop is expected to cause a reduced acreage this year.

The Money Market.—Rates for money in the local market became stronger at the close of the month, but the demand for loans is comparatively light. The $75,000,000 new bonds issued by the Southern Pacific caused some inquiry for money. At the close of the month call money ruled at 2¼ @ 3 per cent., averaging about 2¾ per cent. Banks and trust companies loaned at 2¼ per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 3 per cent. for 60 days, 3¼ per cent. for 90 days to 4 months, 3½ for 6 months, and 3¾ per cent. for 7 to 9 months, on good mixed collateral. For commercial paper the rates are 3½ @ 4 per cent. for 60 to 90 days' endorsed bills receivable, 3¾ @ 4¼ per cent. for first-class 4 to 6 months' single names, and 4½ @ 5 per cent. for good paper having the same length of time to run.

Money Rates in New York City.

	Oct. 1.	*Nov. 1.*	*Dec. 1.*	*Jan 1.*	*Feb. 1.*	*Mar. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	1¾–2½	2 –2½	3½–4	2½–5	1¾–2	2¼–3
Call loans, banks and trust companies	1¾–2½	2 –2½	3½–4	2½–	2 –	2¼–
Brokers' loans on collateral, 30 to 60 days	3 –	3 –	4 –	3 – 3¼	2¾–	3 – ¼
Brokers' loans on collateral, 90 days to 4 months	3¼– ½	3¼– ½	4 –	3¼– ½	3 –3¼	3¼–
Brokers' loans on collateral, 5 to 7 months	3½– ¾	3¾–4	4 –	3¼– ½	3¼– ½	3½– ¾
Commercial paper, endorsed bills receivable, 60 to 90 days	4½–	4 –4½	4 –4½	4 –4½	3½–4	3½–4
Commercial paper prime single names, 4 to 6 months	4½–5	4 –4½	4¼–4¾	4 –4½	3¾–4¼	3¾–4¼
Commercial paper, good single names, 4 to 6 months	5½–6	5½–6	5 –5½	4½–5	4½–	4½–5

New York City Banks.—Deposits in the clearing-house banks, after increasing to nearly $1,203,000,000 on February 11—a gain of nearly $100,000,000 since December 31—fell off $23,000,000 and were $10,000,000 less at the end of February than they were a month ago. Loans increased $26,000,000 in the first two weeks of the month and were reduced $21,000,000 in the last two weeks. The reserves were reduced $14,000,000 during the month, $8,000,000 being in specie. The surplus reserve fell to about $9,000,000 on February 18, but a week later was $14,600,000. Compared with a year ago the deposits show an increase of $52,000,000 and loans $131,000,000, while the surplus reserve is $17,000,000 smaller.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
[Ja]n. 28...	$1,115,643,200	$231,525,200	$92,911,500	$1,189,828,600	$26,979,550	$42,882,200	$1,607,718,800
Feb. 4...	1,128,086,800	227,313,500	91,773,500	1,196,980,300	19,841,920	42,898,700	1,958,962,000
" 11...	1,142,106,100	222,571,000	89,209,000	1,202,972,300	11,086,925	43,025,100	1,780,369,800
" 18...	1,136,012,100	220,953,800	86,389,600	1,122,555,900	9,204,425	42,852,100	1,516,231,300
" 25...	1,121,281,400	223,170,400	86,431,900	1,179,824,900	14,646,075	42,829,800	1,609,495,200

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1903.*		*1904.*		*1905.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$878,115,000	$10,193,850	$866,178,900	$9,541,650	$1,104,049,100	$13,683,425
February......	931,778,900	27,880,775	1,023,943,800	25,129,050	1,189,828,600	26,979,550
March.........	956,206,400	5,951,900	1,027,920,400	32,150,200	1,179,824,900	14,646,075
April.........	894,280,000	6,280,900	1,069,369,400	27,755,050	....	....
May...........	905,760,200	11,181,850	1,114,367,800	33,144,250	....	....
June..........	913,081,800	9,645,150	1,098,953,500	29,692,325	....	....
July..........	908,719,800	12,923,850	1,152,988,800	36,105,300	....	....
August........	908,864,500	24,060,075	1,204,965,600	55,969,600	....	....
September....	920,123,900	20,677,925	1,207,302,800	57,375,400	....	....
October.......	897,214,400	13,987,500	1,212,977,100	19,913,425	....	....
November....	885,616,600	10,274,150	1,204,434,200	16,798,650	....	....
December.....	841,552,000	6,125,200	1,127,878,100	8,539,075	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,145,-989,200 on October 8, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Jan. 28....	$103,426,000	$117,131,200	$4,469,600	$5,960,400	$12,887,400	$8,192,600	$2,227,200
Feb. 4....	103,463,700	118,362,600	4,260,500	5,726,900	13,655,500	8,658,500	2,710,750
" 11....	104,999,400	120,375,800	4,584,700	6,084,800	13,774,800	8,925,000	3,225,475
" 18....	105,309,700	121,625,800	4,580,200	6,096,400	13,785,900	9,595,400	3,601,450
" 25....	105,797,800	119,694,800	4,500,300	6,116,400	12,142,900	8,751,800	1,587,700

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Jan. 28........	$190,196,000	$221,588,000	$19,337,000	$7,033,000	$7,537,000	$126,974,100
Feb. 4........	191,074,000	226,633,000	18,415,000	6,648,000	7,459,000	150,972,300
" 11........	192,256,000	225,126,000	17,979,000	6,579,000	7,362,000	133,545,400
" 18........	192,356,000	226,596,000	17,494,000	6,729,000	7,364,000	134,358,400
" 25........	193,017,000	227,697,000	17,369,000	6,276,000	7,348,000	125,298,100

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Jan. 28.................	$214,271,000	$260,377,000	$72,314,000	$11,980,000	$122,753,400
Feb. 4.................	216,149,000	261,844,000	72,155,000	11,958,000	129,495,700
" 11.................	218,408,000	260,933,000	70,059,000	11,984,000	125,893,500
" 18.................	218,874,000	263,956,000	71,822,000	11,890,000	112,113,500
" 25.................	218,168,000	266,766,000	72,890,000	11,942,000	109,661,200

MONEY RATES ABROAD.—Rates for money have tended downward during the month. The Bank of England retains its 3 per cent. rate made in April, 1904. The Imperial Bank of Germany again reduced its rate on February 14, making it 3½ per cent. On January 10 the rate was reduced from 5 to 4 per cent. Discounts of 60 to 90 day bills in London at the close of the month were 2⅜ @ 2 7/16 per cent., against 2½ per cent. a month ago. The open market rate at Paris was 1½ per cent., against 2½ per cent. a month ago, and at Berlin and Frankfort 2 per cent., against 2½ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Nov. 16, 1904.	*Dec. 30, 1904.*	*Feb. 2, 1905.*	*Mar. 2, 1905.*
Circulation (exc. b'k post bills)	£27,686,270	£28,205,000	£27,558,000	£27,593,000
Public deposits	7,173,714	9,104,000	7,421,000	15,190,000
Other deposits	39,439,155	44,321,000	42,641,000	41,590,000
Government securities	15,610,005	15,610,000	16,308,000	16,590,000
Other securities	24,706,825	35,484,000	25,471,000	29,829,000
Reserve of notes and coin	24,185,954	20,173,000	22,825,000	29,858,000
Coin and bullion	33,402,224	29,927,272	35,510,000	38,994,000
Reserve to liabilities	51¾%	37¾%	52⅝%	52⅛%
Bank rate of discount	3%	3%	3%	3%
Price of Consols (2¾ per cents.)	88 1/16	88⅝	88½	91 1/16
Price of silver per ounce	26 13/16d.	28 1/16d.	28⅛d.	27 13/16d.

FOREIGN BANKS.—The leading European banks made important gains in their gold holdings. The Bank of England gained $22,000,000, the Bank of France $25,000,000, the Bank of Germany $5,000,000 and the Bank of Russia $12,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1905.		*February 1, 1905.*		*March 1, 1905.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£29,927,272	....	£34,402,403	....	£38,853,000	....
France	106,844,282	£44,068,773	107,708,228	£44,055,438	112,887,475	£44,180,312
Germany	33,630,000	12,871,000	40,511,000	13,508,000	41,635,000	13,879,000
Russia	102,816,000	6,663,900	100,577,000	5,782,000	103,056,000	6,186,000
Austria-Hungary	48,423,000	12,247,000	48,401,000	12,537,000	48,224,000	12,701,000
Spain	14,897,000	19,973,000	14,914,000	19,954,000	14,937,000	20,808,000
Italy	22,170,000	3,166,000	23,369,000	3,227,800	22,264,000	3,250,600
Netherlands	5,623,800	6,285,800	5,831,900	6,300,700	6,003,300	6,291,800
Nat. Belgium	3,268,667	1,634,333	3,235,233	1,617,667	3,189,333	1,594,667
Totals	£369,599,521	£106,929,806	£377,949,864	£106,927,605	£390,999,331	£108,341,429

FOREIGN EXCHANGE.—Sterling exchange was very strong early in the month, but became weaker and then steadily declined until the close of the month. There was an increased supply of bankers' bills drawn against securi-

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Nov. 1.	*Dec 1.*	*Jan. 1.*	*Feb. 1.*	*March 1.*
Sterling Bankers—60 days	4.84 — ⅛	4.83⅝— ¾	4.84¾— ⅞	4.85⅝— ¾	4.84½—
" " Sight	4.86⅝— ¾	4.86½—⅝	4.87⅛— ¼	4.88 —	4.86⅝—
" " Cables	4.87 — ⅛	4.86⅞—87	4.87¾— ⅞	4.88⅜— ½	4.87 — ⅛
" Commercial long	4.83¼— ¾	4.83¼— ½	4.84½— ⅝	4.85 — ¼	4.84¼— ⅜
" Docu'tary for paym't.	4.83⅜— 4½	4.83 — 4¼	4.83¾— ⅞	4.84¾— 5⅛	4.83¾— 4¾
Paris—Cable transfers	5.15⅝— 3/32	5.16¼—	5.15 1/16— 1/16	5.14⅜—	5.17½—16⅞
" Bankers' 60 days	5.18⅛—	5.18¾—	5.18⅛—	5.17½—16⅞	5.18¾—
" Bankers' sight	5.15⅝—	5.16⅞—	5.16¼—15⅝	5.15 1/16—15	5.17½—
Swiss—Bankers' sight	5.16¼—	5.17½—	5.16⅞—	5.16⅞— ¼	5.18⅛—
Berlin—Bankers' 60 days	94 13/16—95	94⅞— 15/16	95 1/32-95	94 15/16—95	94 13/16— ¾
" Bankers' sight	95⅝—	95 7/16— ½	95⅛—	95⅜— 7/16	95 — 1/16
Belgium—Bankers' sight	5.16⅞—	5.17½—	5.16⅞—	5.16¼—	5.18⅛—
Amsterdam—Bankers' sight	40⅜—	40⅜—	40⅜—	40⅜— 7/16	40¼— 5/16
Kronors—Bankers' sight	26.88—26.90	26.83—26.85	26.86—26.88	26 13/16— 15/16	26.13/16— 15/16
Italian lire—sight	5.16⅞— ¼	5.16¼—15⅝	5.15⅝—	5.15 —14⅜	5.17½—16⅞

ties purchased for foreign account, and also of commercial bills caused by a larger movement in grain and cotton.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING. 60 days.	BANKERS' STERLING. Sight.	Cable transfers.	Prime commercial, Long.	Documentary Sterling, 60 days.
Jan. 28...........	4.8550 @ 4.8560	4.8790 @ 4.8800	4.8830 @ 4.8835	4.85¼ @ 4.85½	4.84½ @ 4.84¾
Feb. 4...........	4.8575 @ 4.8585	4.8800 @ 4.8810	4.8835 @ 4.8845	4.85⅜ @ 4.85½	4.84⅞ @ 4.85¾
" 11...........	4.8565 @ 4.8575	4.8790 @ 4.8800	4.8825 @ 4.8835	4.85⅜ @ 4.85½	4.84¾ @ 4.85¾
" 18...........	4.8530 @ 4.8540	4.8755 @ 4.8765	4.8790 @ 4.8800	4.85⅛ @ 4.85¼	4.84½ @ 4.85⅜
" 25...........	4.8480 @ 4.8490	4.8690 @ 4.8700	4.8720 @ 4.8730	4.84⅜ @ 4.84½	4.83¾ @ 4.84¾

SILVER.—The price of silver in London, after advancing from 27 13-16d. to 28 5-16d. on February 9, became weak and declined to 27 5-8d. at the close of the month.

MONTHLY RANGE OF SILVER IN LONDON—1903, 1904, 1905.

MONTH.	1903. High	1903. Low.	1904. High	1904. Low.	1905. High	1905. Low.	MONTH.	1903. High	1903. Low.	1904. High	1904. Low.	1905. High	1905. Low.
January..	22⅜	21 11/16	27 5/16	25⅛	28 9/16	27 5/16	July......	25⅝	24¼	27	26⅜	....	....
February	22 5/16	21⅞	27⅛	25⅝	28⅜	27 3/16	August ..	26¾	25 5/16	27	26 3/16	....	....
March....	22 11/16	22⅛	26 11/16	25⅛	28 5/16	27⅝	Septemb'r	26 7/16	26 3/16	26⅞	26	....	....
April.....	25 3/16	22⅝	25½	24 7/16	....	....	October..	28⅛	27 7/16	26 15/16	26⅛	....	....
May......	25¼	24 5/16	25 15/16	25⅛	....	....	Novemb'r	27⅝	26¼	27 3/16	26¾	....	....
June.....	24 9/16	24⅛	26⅛	25 5/16	....	....	Decemb'r	26⅛	25	....	....	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	Asked.		Bid.	Asked.
Sovereigns	$4.86	$4.89	Mexican doubloons............	$15.55	$15.65
Bank of England notes........	4.86	4.89	Mexican 20 pesos...............	19.55	19.65
Twenty francs..................	3.87	3.90	Ten guilders.....................	3.96	4.00
Twenty marks..................	4.74	4.77	Mexican dollars................	.47	.49
Twenty-five pesetas...........	4.78	4.82	Peruvian soles..................	.43	.45½
Spanish doubloons.............	15.55	15.65	Chilian pesos....................	.43	.45½

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 27⅝d. per ounce. New York market for large commercial silver bars, 60⅛ @ 61¾c. Fine silver (Government assay), 60¼ @ 61¾c. The official price was 60c.

NATIONAL BANK CIRCULATION.—The volume of National bank note circulation continues to increase, but only as the public deposits in the National banks are reduced. Last month the bonds deposited to secure public deposits were reduced $1,935,500 and the bonds deposited to secure circulation were increased $2,259,100. The former now amount to $103,538,650 and the latter to $441,788,140. The notes outstanding aggregate $469,203,840, an increase for the month of $1,780,987.

NATIONAL BANK CIRCULATION.

	Nov. 30, 1904.	Dec. 31, 1904	Jan. 31, 1905.	Feb. 28, 1905.
Total amount outstanding...............	$460,679,075	$464,794,156	$467,422,853	$469,203,840
Circulation based on U.S. bonds	427,947,505	431,841,785	435,807,901	438,370,084
Circulation secured by lawful money....	32,731,570	32,952,371	31,614,952	30,833,756
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent.........	6,650,600	6,898,600	8,155,900	8,401,200
Four per cents. of 1895..................	1,797,600	1,791,600	1,845,350	1,835,100
Three per cents. of 1898.................	1,959,040	1,981,040	2,100,040	2,527,540
Two per cents. of 1900...................	420,668,600	423,256,900	427,427,750	429,024,300
Total	$431,075,840	$433,928,140	$439,529,040	$441,788,140

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $9,863,500; 5 per cents. of 1894, $100,000; 4 per cents. of 1895, $8,881.050; 3 per cents. of 1898, $8,081,000; 2 per cents. of 1930, $66,983,100; District of Columbia 3.65's, 1924, $1,951,000; State and city bonds, $241,000; Philippine Island certificates, $3,823,000; Hawaiian Islands bonds, $984,000; Philippine loan, $3,231,000, a total of $103,538,650.

GOLD AND SILVER COINAGE.—The coinage of the mints in February aggregated $5,001,190, of which $4,306,580 was gold, $559,000 silver and $135,610 was minor coin. No silver dollars were coined. There were 1,044,000 pesos coined for the Philippine Government and 1,724,862 pieces, valued at $928,986.18, for the Government of Panama.

COINAGE OF THE UNITED STATES.

	1903.		1904.		1905.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
January	$7,635,178	$1,707,000	$2,765,000	$4,657,000	$7,819,050	$681,012
February	7,488,510	1,521,000	35,603,500	1,475,000	4,306,580	559,000
March	6,879,920	1,595,987	63,605,790	1,491,509	....	....
April	137,400	1,809,000	26,177,600	1,158,000	....	....
May	69,000	1,584,000	44,109,000	380,000	....	....
June	610	3,840,222	14,884,400	342,143	....	....
July	....	337,327	....	455,519	....	....
August	450,000	452,000	1,385,000	1,591,000	....	....
September	645,692	1,807,469	14,585,705	1,452,082	....	....
October	1,540,000	2,324,000	29,706,375	843,000	....	....
November	8,794,600	1,401,000	528,780	878,871	....	....
December	10,043,060	1,567,435	51,278	471,487	....	....
Year	$43,683,970	$19,874,440	$233,402,428	$15,695,610	$12,125,630	$1,240,012

UNITED STATES PUBLIC DEBT.—There was a reduction of nearly $10,000,000 in gold and silver certificates last month, and this is reflected by a similar decrease in both the aggregate debt and in the cash in the Treasury. There was a small increase in the cash balance, the first in some months, and the net debt, less cash in the Treasury, was reduced about $355,000. This reduction is very small compared with the surplus revenues of more than $3,000,000 shown in February, but an increase in demand liability accounts for the difference.

UNITED STATES PUBLIC DEBT.

	Dec. 1, 1904.	Jan. 1, 1905.	Feb. 1, 1905.	Mar. 1, 1905.
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$542,909,950	$542,909,950	$542,909,950	$542,909,950
Funded loan of 1907, 4 "	156,593,850	156,593,650	156,593,750	156,593,800
Refunding certificates, 4 per cent	28,610	28,610	28,550	28,520
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	77,135,360	77,135,360	77,135,360	77,135,360
Total interest-bearing debt	$895,157,470	$895,157,470	$895,157,510	$895,157,530
Debt on which interest has ceased	1,495,400	1,447,260	1,431,470	1,417,320
Debt bearing no interest:				
Legal tender and old demand notes	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct.	32,329,377	31,933,951	30,363,106	30,077,818
Fractional currency	6,868,465	6,868,465	6,868,465	6,868,465
Total non-interest bearing debt	$385,932,705	$385,537,279	$383,966,434	$383,681,146
Total interest and non-interest debt.	1,282,585,575	1,282,142,010	1,280,555,415	1,280,255,997
Certificates and notes offset by cash in the Treasury:				
Gold certificates	530,780,969	524,684,969	525,959,969	521,149,969
Silver "	477,320,000	477,102,000	474,225,000	469,655,000
Treasury notes of 1890	11,331,000	11,019,000	10,702,000	10,380,000
Total certificates and notes	$1,019,431,969	$1,012,805,969	$1,010,886,969	$1,001,184,969
Aggregate debt	2,302,017,544	2,294,947,979	2,291,442,384	2,281,390,966
Cash in the Treasury:				
Total cash assets	1,406,519,931	1,402,124,509	1,390,921,067	1,380,532,680
Demand liabilities	1,113,175,273	1,105,531,820	1,100,295,271	1,089,850,841
Balance	$293,344,658	$296,592,689	$290,625,796	$290,681,839
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	143,344,658	146,592,689	140,625,796	140,681,839
Total	$293,344,658	$296,592,689	$290,625,796	$290,681,839
Total debt, less cash in the Treasury	989,240,917	985,549,321	989,929,619	989,574,158

GOVERNMENT REVENUES AND DISBURSEMENTS.—In February the Government reported a surplus of a little more than $3,000,000, which reduced the deficit

for the eight months of the fiscal year to $25,450,768. The surplus for the month was about the same as a year ago, but the deficit for the eight months compares with a surplus of nearly $5,000,000 last year. The revenues are running pretty close to last year's record, but expenditures have been larger, war and navy disbursements in the eight months being $22,000,000 greater than in 1904.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	February, 1905.	Since July 1, 1904.
Customs	$21,582,645	$175,792,487
Internal revenue	16,714,470	155,899,739
Miscellaneous	6,310,957	33,976,085
Total	$44,608,072	$365,668,210
Excess receipts	3,146,838	*25,450,768

Expenditures.

Source.	February, 1905.	Since July 1, 1904.
Civil and mis.	$9,654,559	$100,334,711
War	7,763,671	88,109,006
Navy	8,088,619	79,755,422
Indians	1,334,860	9,551,345
Pensions	13,012,080	95,640,319
Interest	1,607,444	17,728,176
Total	$41,461,234	$391,118,979

* Excess expenditures.

United States Foreign Trade.—The exports of merchandise in January were the smallest for that month in any year since 1900. They amounted to $123,445,404, or nearly $22,000,000 less than in December and $18,600,000 less than in January a year ago. Imports of merchandise, on the other hand, are increasing very rapidly. They exceeded $98,000,000 in January, an increase of nearly $2,000,000 compared with December and almost $16,000,000 compared with January, 1904. The net balance of exports was only about $25,000,000, as against nearly $59,500,000 a year ago. The gold movement also shows a very great change. The country lost net nearly $15,000,000 gold in January while it gained $7,600,000 in January last year. For the first seven months of the fiscal year there was nearly $21,000,000 gold exported against about $46,000,000 imported in the previous year.

Exports and Imports of the United States.

Month of January.	Merchandise. Exports.	Merchandise. Imports.	Merchandise. Balance.	Gold Balance.	Silver Balance.
1900	$117,597,148	$75,897,102	Exp., $41,700,046	Exp., $3,698,598	Exp., $2,424,626
1901	136,325,601	69,307,080	" 67,018,521	" 3,955,533	" 1,600,921
1902	129,145,180	79,138,192	" 50,006,988	" 567,888	" 2,416,329
1903	133,992,269	85,174,786	" 48,817,483	Imp., 1,924,900	" 2,083,325
1904	142,045,170	82,589,866	" 59,455,404	" 7,633,941	" 2,377,522
1905	123,445,404	98,358,756	" 25,086,648	Exp., 14,932,477	" 2,442,543
Seven Months.					
1900	800,046,486	486,419,633	Exp., 313,626,853	Imp., 6,422,632	Exp., 12,359,201
1901	902,237,970	459,038,141	" 443,199,829	" 22,473,733	" 16,200,844
1902	872,668,418	526,116,998	" 346,551,420	" 9,973,309	" 13,609,169
1903	856,482,039	598,149,514	" 258,332,525	" 17,176,519	" 14,646,048
1904	929,146,344	565,339,684	" 363,806,660	" 45,914,990	" 11,489,311
1905	901,038,047	625,930,793	" 275,107,254	Exp. 30,655,403	" 13,898,647

Supply of Money in the United States.—The total stock of money in the country was reduced $8,000,000, a decrease of $10,000,000 in gold being partly offset by an increase of about $2,000,000 in National bank notes.

Supply of Money in the United States.

	Dec. 1, 1904.	Jan. 1, 1905.	Feb. 1, 1905.	Mar. 1, 1905.
Gold coin and bullion	$1,351,415,633	$1,345,952,535	$1,341,206,452	$1,331,165,720
Silver dollars	567,795,589	567,795,889	567,795,889	567,795,889
Silver bullion	1,970,303	1,708,079	1,248,700	927,992
Subsidiary silver	111,694,407	112,171,494	112,642,674	113,162,870
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	460,679,075	464,794,156	467,422,858	469,208,840
Total	$2,840,236,023	$2,839,103,169	$2,836,997,584	$2,828,987,327

MONEY IN CIRCULATION IN THE UNITED STATES.—There was a decrease of $8,000,000 in the amount of money in circulation last month. The decrease was in all kinds of money excepting silver certificates, which increased about $1,500,000, and National bank notes, which increased $6,500,000.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Dec. 1, 1904.	*Jan. 1, 1905.*	*Feb. 1, 1905.*	*Mar. 1, 1905.*
Gold coin	$647,500,549	$649,548,528	$649,527,502	$645,751,720
Silver dollars	80,522,882	80,039,395	76,161,750	74,329,719
Subsidiary silver	101,886,384	102,891,327	101,079,480	100,214,885
Gold certificates	470,102,469	466,739,689	490,434,369	482,556,819
Silver certificates	471,584,444	468,017,227	460,250,046	461,761,899
Treasury notes, Act July 14, 1890	11,268,930	10,940,054	10,594,793	10,283,583
United States notes	342,623,637	342,287,627	334,463,020	332,619,383
National bank notes	448,381,072	449,157,278	446,538,205	453,096,704
Total	$2,573,888,367	$2,569,621,125	$2,569,049,165	$2,560,614,712
Population of United States	82,445,000	82,562,000	82,678,000	82,794,000
Circulation per capita	$31.22	$31.12	$31.07	$30.93

MONEY IN THE UNITED STATES TREASURY.—The total money in the Treasury decreased $6,000,000, but outstanding certificates were also reduced, leaving the net cash slightly larger than a month ago:

MONEY IN THE UNITED STATES TREASURY.

	Dec. 1, 1904.	*Jan. 1, 1905.*	*Feb. 1, 1905.*	*Mar. 1, 1905.*
Gold coin and bullion	$708,915,084	$696,404,007	$691,678,950	$685,414,000
Silver dollars	487,272,707	487,756,494	491,684,189	493,466,170
Silver bullion	1,970,808	1,708,079	1,248,700	927,992
Subsidiary silver	9,808,023	9,280,167	11,563,194	12,947,985
United States notes	4,057,879	4,898,889	12,217,996	14,061,633
National bank notes	12,298,003	15,636,878	20,884,648	16,107,136
Total	$1,219,821,499	$1,215,179,014	$1,229,227,627	$1,222,924,916
Certificates and Treasury notes, 1890, outstanding	952,973,843	945,696,970	961,279,208	954,602,30.
Net cash in Treasury	$266,847,656	$269,482,044	$267,948,419	$268,322,615

New Counterfeit $2 Silver Certificate.—Series of 1899; check letter C; face plate No. 117; back plate No. 48; J. W. Lyons, Register; Ellis H. Roberts, Treasurer; small portrait of Washington. Serial numbers of the two samples under inspection are 19563375.

This is a photomechanical reproduction, probably lithographic. It is printed on two pieces of paper with distributed silk fibre. The strands of the fibre are thin, and fully twice, if not three times, the length of the genuine. Aside from the fact that the face of the note is darker than the genuine, particularly the line "United States of America," the general effect is excellent and deceptive. The seal, denominational "2," and numbering are all lighter than the genuine. The numbering on the counterfeit is a dead blue instead of bronze blue, as in the genuine. In the ornamental stop or finish at the right hand of each serial number the horizontal stroke in the counterfeit is broken, giving it the appearance of an exclamation point. In the genuine this horizontal stroke starts flush with the face of the two triangles and is continued, symmetrical and unbroken. In the counterfeit there is a circular dot flush with the face of the two triangles, then quite a noticeable space before the horizontal stroke begins.

The small lettering on the face of the note is broken and more or less indistinct. This is particularly true of the line "This certifies that there have been deposited in the Treasury of the"—top center, face of note, which is badly blurred. The period which appears after the signature of Ellis H. Roberts on the genuine is omitted on the counterfeit.

The green of the back of the counterfeit is pale.

The lettering "This certificate is receivable for customs," etc., lower center, back of note, is badly broken, and the word "Public" appears as "Purlic" in the counterfeit.

This note made its appearance at Detroit, Mich., and is of such a character as will probably induce efforts at general circulation through the central West, where money handlers are advised to be particularly careful in their inspection of certificates of this issue.

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of February, and the highest and lowest during the year 1905, by dates, and also, for comparison, the range of prices in 1904:

	Year 1904.		Highest and Lowest in 1905.		February, 1905.		
	High.	Low.	Highest.	Lowest.	High.	Low.	Closing.
Atchison, Topeka & Santa Fe.	89¼	64	91 —Feb. 25	84½—Jan. 25	91	87¼	88⅝
" preferred	104⅛	87⅝	103¼—Feb. 2	99 —Jan. 25	103¼	101	102⅝
Baltimore & Ohio	105¼	72⅞	108¼—Feb. 28	100⅛—Jan. 25	108¼	102	107½
Baltimore & Ohio, pref.	96½	87⅝	98 —Feb. 8	95¾—Jan. 12	98	97	97¼
Brooklyn Rapid Transit	70⅛	38	66⅝—Feb. 28	58½—Jan. 25	66⅝	60⅛	64⅜
Canadian Pacific	135¾	109½	141½—Feb. 25	130¾—Jan. 25	141½	133	140
Canada Southern	72	64	72⅞—Jan. 31	67⅛—Jan. 11	70½	69⅝	70½
Central of New Jersey	194¾	154½	205½—Feb. 3	190¼—Jan. 3	205½	196	199⅞
Ches. & Ohio	51	28¼	52 —Feb. 9	46⅝—Jan. 25	52	49½	50⅝
Chicago & Alton	47¼	33	43½—Jan. 4	40⅛—Jan. 13	43⅛	41¼	42
" preferred	85¼	75	83¼—Jan. 4	80 —Jan. 25	82¾	82	82
Chicago, Great Western	26¼	12⅞	24½—Feb. 20	21⅞—Jan. 25	24½	22	23¾
Chic., Milwaukee & St. Paul	177⅝	137⅛	181 —Feb. 27	171¼—Jan. 6	181	175⅛	176¾
" preferred	185⅞	173	192 —Jan. 31	182½—Jan. 13	190¾	187¾	189½
Chicago & Northwestern	214½	161⅛	249 —Jan. 31	205⅛—Jan. 6	249	236⅝	239½
" preferred	237	207	265½—Feb. 1	234 —Jan. 13	265½	256	261
Chicago Terminal Transfer	16¼	5¼	19½—Feb. 17	7¾—Jan. 5	19½	14⅝	18
" preferred	27¾	11½	35½—Feb. 17	17½—Jan. 4	35½	27	30¼
Clev., Cin., Chic. & St. Louis	93⅝	68½	102¼—Jan. 30	90 —Jan. 14	100¼	94	98¼
Col. Fuel & Iron Co.	58⅝	25½	54 —Feb. 23	43 —Jan. 25	54	46	50¾
Colorado Southern	24⅝	13½	26¾—Feb. 8	22¼—Jan. 20	26¾	24¾	25
" 1st preferred	63	48	64½—Feb. 10	60⅛—Jan. 11	64½	61½	61½
" 2d preferred	37½	17⅞	39½—Feb. 3	35 —Jan. 27	39½	36½	38¼
Consolidated Gas Co.	220	185	211 —Feb. 8	194½—Jan. 9	211	201⅞	206⅞
Delaware & Hud. Canal Co.	190½	149	196 —Feb. 4	180¼—Jan. 25	196	185	189¾
Delaware, Lack. & Western	359¾	250½	358 —Feb. 2	335 —Jan. 25	358	346	352¼
Denver & Rio Grande	35⅞	18	34 —Feb. 23	30⅜—Jan. 27	34	32	33½
" preferred	89	64½	89 —Feb. 23	85 —Jan. 23	89	86½	88¼
Detroit Southern	14¾	1½	9⅞—Jan. 24	5 —Feb. 8	8¾	5	5
" preferred	33½	2¾	36½—Feb. 1	31½—Jan. 26	36½	31½	31¾
Duluth So. S. & Atl., pref.	28½	9¼	37 —Jan. 21	25 —Jan. 3	35¾	31	32
Erie	41⅝	21½	47⅛—Feb. 28	37⅝—Jan. 3	47⅛	43	45⅞
" 1st pref.	77	55⅝	82½—Jan. 30	75¼—Jan. 3	81½	79¼	80¼
" 2d pref.	58½	33	67¼—Jan. 28	55½—Jan. 3	66½	64	65
Evansville & Terre Haute	83	54	72½—Jan. 16	68 —Jan. 10	70	70	70
Express Adams	250	220	250 —Feb. 7	236 —Jan. 9	250	241	241
" American	219	180	246 —Feb. 27	209½—Jan. 4	246	230	239
" United States	126	100	134 —Feb. 8	120 —Jan. 9	134	122	130¾
" Wells, Fargo	250	200	260 —Feb. 21	235 —Jan. 3	260	247½	260
Hocking Valley	94	60	93 —Feb. 14	86⅝—Jan. 18	93	89	91
" preferred	95	77	93⅞—Jan. 7	90 —Jan. 18	92¼	90½	91⅝
Illinois Central	159	125¾	163¼—Feb. 25	152¾—Jan. 25	163¼	155	158
Iowa Central	33	14	32 —Feb. 3	29 —Jan. 30	32	29	29¼
" preferred	59¾	32	58⅜—Feb. 3	54¼—Feb. 28	58⅜	54¼	54¼
Kansas City Southern	31⅞	16½	34 —Feb. 14	27½—Jan. 7	34	29¾	29¾
" preferred	56¾	31	70 —Feb. 14	52 —Jan. 3	70	63¾	64
Kans. City Ft. S. & Mem. pref.	83½	64⅛	83 —Feb. 15	81¾—Jan. 25	83	82¼	83
Louisville & Nashville	148¾	101	142½—Jan. 20	134½—Jan. 25	141¼	137	138¼
Manhattan consol	169¼	139¾	175 —Feb. 9	165 —Jan. 3	175	169¾	171⅛
Metropolitan securities	96½	72¼	84½—Feb. 6	73 —Jan. 9	84½	77½	80¾
Metropolitan Street	130⅝	104¾	123⅝—Feb. 9	114⅛—Jan. 9	123⅝	115⅞	121
Mexican Central	23⅝	5	24⅝—Feb. 28	21½—Jan. 25	24⅝	22	23⅝
Minneapolis & St. Louis	67¾	40	62 —Feb. 8	58½—Jan. 13	62	60	60¾
" preferred	96½	80	91 —Feb. 24	86 —Jan. 19	91	89	91
Minn., S. P. & S.S. Marie	95	55	117½—Feb. 25	89½—Jan. 11	117½	98	111⅛
" preferred	150	116	161½—Feb. 2	148 —Jan. 13	161½	158¾	160
Missouri, Kan. & Tex.	36⅝	14⅝	33¼—Jan. 18	30 —Jan. 24	32⅝	30⅝	31½
" preferred	65¼	32¼	67⅝—Jan. 18	62 —Jan. 10	67	63⅝	64¾
Missouri Pacific	111½	87	109⅞—Feb. 27	104½—Jan. 25	109⅞	106⅜	108
Natl. of Mexico, pref.	45½	34¾	45 —Jan. 16	40½—Jan. 4	43½	41¼	42
" 2d preferred	25½	15⅞	24½—Jan. 10	21½—Jan. 25	23½	22	22¼
N. Y. Cent. & Hudson River	145½	112⅞	161 —Feb. 27	141¾—Jan. 3	161	146⅞	154⅝
N. Y., Chicago & St. Louis	47	25	48 —Feb. 27	42 —Jan. 20	48	44	46
" 2d preferred	78	60	82 —Jan. 31	75 —Jan. 13	80	75	79½

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1904.		Highest and Lowest in 1905.		February, 1905.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western	47⅞	19⅝	56¼—Feb. 23	40⅝—Jan. 5	56¼	43⅛	54
Norfolk & Western	80¾	53½	84⅝—Feb. 25	77⅛—Jan. 25	84⅝	79¼	83¼
" preferred	95	88	94½—Feb. 8	91⅛—Feb. 24	94½	91⅛	94
North American Co.	107	80	105 —Feb. 10	98 —Jan. 20	105	100¾	101
Pacific Mail	55	24	49¼—Jan. 4	42 —Jan. 25	48½	43¼	44¼
Pennsylvania R. R.	140	111½	145¾—Feb. 27	135 —Jan. 25	145¾	138⅛	142⅝
People's Gas & Coke of Chic.	112⅛	92¾	109¾—Feb. 7	105¼—Jan. 25	109¾	106⅝	107⅞
Pullman Palace Car Co.	244	209	254 —Feb. 28	237 —Jan. 3	254	242	246
Reading	82⅝	38¾	97⅛—Feb. 8	79 —Jan. 13	97⅛	88	94⅝
" 1st prefered	92	76	94 —Feb. 2	91½—Jan. 27	94	92	92
" 2d preferred	85	55¼	92 —Feb. 3	84 —Jan. 5	92	88	90
Rock Island	37¾	19⅛	37⅞—Jan. 18	33⅞—Jan. 25	37	34	34⅝
" preferred	86⅝	57¾	85 —Jan. 4	79¾—Jan. 25	82¾	79¾	79¾
St. L. & San Fran. 2d pref	72⅛	39¼	73¼—Feb. 9	70 —Jan. 6	73¼	70	70⅛
St. Louis & Southwestern	29	9⅛	27½—Jan. 20	24½—Jan. 6	27⅜	25⅝	26
" preferred	60¾	25⅝	64⅞—Feb. 14	57 —Jan. 12	64⅞	60¼	61½
Southern Pacific Co.	68¾	41⅛	72⅝—Feb. 27	63¾—Jan. 6	72⅝	66⅛	70⅝
Southern Railway	37⅛	18¼	36¼—Feb. 25	32¾—Jan. 25	36¼	33⅞	35⅛
" preferred	97½	77⅛	98⅝—Feb. 27	96 —Jan. 13	98⅝	97	98
Tennessee Coal & Iron Co.	77⅛	31⅝	97¾—Feb. 23	68 —Jan. 25	97¾	71¼	91¾
Texas & Pacific	38⅛	20	38⅞—Feb. 25	32⅞—Jan. 25	38⅞	31⅞	37½
Toledo, St. Louis & Western	38	21⅛	37½—Feb. 21	35¼—Jan. 18	37½	35⅛	36½
" preferred	57¼	32	56⅞—Feb. 21	51¾—Jan. 25	56⅞	53¼	54½
Union Pacific	117	71	137⅞—Feb. 25	113 —Jan. 6	137⅞	121	132½
" preferred	98	86½	101⅝—Feb. 21	97 —Jan. 9	101⅝	97	100
Wabash R. R.	25	15	23⅝—Feb. 3	20½—Jan. 25	23⅝	21⅞	22¼
" preferred	48⅛	32¾	48 —Feb. 23	41 —Jan. 25	48	43¾	46½
Western Union	94½	85	95¼—Jan. 4	92 —Jan. 17	94¼	92¼	93¼
Wheeling & Lake Erie	22⅝	14⅛	19½—Jan. 4	17⅝—Jan. 24	19¼	18½	19
" second preferred	32	21⅛	28¼—Feb. 4	25¼—Jan. 9	28¼	26⅞	27½
Wisconsin Central	25	16	25¼—Feb. 16	21½—Jan. 3	25¼	22½	23⅝
" preferred	49⅝	37	54¼—Feb. 17	45 —Jan. 13	54¼	49½	52¾
"Industrial"							
Amalgamated Copper	82¾	43⅛	77⅞—Feb. 21	70 —Jan. 25	77⅞	73⅛	75⅞
American Car & Foundry	35½	14¾	36¼—Feb. 24	31¼—Jan. 24	36¼	33	34¼
" pref.	94¾	67	95¼—Feb. 24	91¼—Jan. 25	95¼	92¾	93½
American Co. Oil Co.	37⅞	24¼	37 —Feb. 24	33⅛—Feb. 3	37	33⅛	35¼
American Ice	9¾	6	7¼—Feb. 1	5½—Feb. 28	7¼	5½	5⅞
American Locomotive	36⅝	16⅛	43¾—Feb. 27	33 —Jan. 25	43¾	36¼	41⅝
" preferred	105	75½	112 —Feb. 27	103¾—Jan. 5	112	110	111½
Am. Smelting & Refining Co.	82½	46	92 —Feb. 24	79¾—Jan. 9	92	85	89¾
" preferred	115	88¾	119⅞—Jan. 30	111¼—Jan. 18	119⅝	118	118
Am. Steel & Foundries	15¼	3½	18 —Jan. 20	12¾—Jan. 6	17	14¾	15½
" pref.	57¼	26	65 —Jan. 20	52¾—Jan. 6	63½	60	60¼
American Sugar Ref. Co.	153	122¼	145¾—Feb. 21	138⅝—Jan. 25	145¾	142	144¼
Anaconda Copper Mining	120⅞	61	112⅞—Jan. 11	103¼—Jan. 25	110	105	108
Continental Tobacco Co. pref.	131	101½	133¼—Feb. 1	131 —Jan. 21	133¼	132¾	133¼
Corn Products	26¼	9¾	22¾—Feb. 7	17¾—Jan. 25	22¾	19½	20
" preferred	82¼	65	79 —Jan. 10	74 —Jan. 25	78⅞	76½	77½
Distillers securities	40½	19½	39¼—Jan. 5	34⅞—Jan. 25	38⅞	36	37¾
General Electric Co.	194½	151	190¾—Jan. 16	181½—Jan. 24	189¼	185½	187
International Paper Co.	25⅝	10¼	23⅞—Jan. 16	20 —Feb. 1	23	20	21
" preferred	79⅞	64⅛	78 —Jan. 19	76 —Feb. 6	78	76	77¾
National Biscuit	59½	36	60 —Feb. 25	54½—Jan. 25	60	54¾	58¼
National Lead Co.	26¼	14⅛	39⅝—Feb. 20	24½—Jan. 5	39⅝	26⅞	33½
Pressed Steel Car Co.	44⅛	24¼	39 —Feb. 24	35 —Jan. 25	39	35½	37
" preferred	92	67	92¼—Jan. 27	87 —Feb. 16	91½	87	88
Republic Iron & Steel Co.	18¼	6	23⅞—Feb. 23	15 —Jan. 23	23⅞	16	19½
" preferred	73½	37	87½—Feb. 23	67 —Jan. 23	87½	68½	77½
Rubber Goods Mfg. Co.	29⅞	14¾	28¼—Jan. 10	25 —Feb. 16	27¼	25	25¼
" preferred	98	74¾	99 —Feb. 28	94 —Jan. 25	99	95½	98⅞
U. S. Leather Co.	20¾	6⅛	14⅝—Jan. 16	12 —Feb. 28	14⅝	12	12⅛
" preferred	106½	75⅝	106¾—Feb. 16	100¾—Jan. 31	106¾	102¼	104¼
U. S. Rubber Co.	34½	10½	44¼—Feb. 20	33¾—Jan. 3	44¼	36¼	41
" preferred	100	41	115 —Feb. 18	98⅝—Jan. 6	115	100	110½
U. S. Steel	33⅛	8⅝	35⅝—Feb. 30	28¼—Jan. 25	35⅝	30	34¾
" pref.	95⅝	51¼	96 —Feb. 6	91⅛—Jan. 7	96	93⅝	94¼

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
Ann Arbor 1st g 4's 1995	7,000,000	Q J	98	Feb. 28,'05	98½	98	12,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's. 1995	148,155,000	A & O	104⅛	Feb. 28,'05	104½	103⅞	807,500
• registered	....	A & O	101	Dec. 27,'04	....	....	....
• adjustment, g. 4's 1995	25,616,000	NOV	97⅜	Feb. 27,'05	97½	95¾	211,500
• registered	....	NOV	94½	Feb. 9,'05	94½	93½	10,000
• stamped 1995	26,112,000	M & N	97	Feb. 28,'05	98	96	553,500
• serial debenture 4's—							
• series C 1905	2,500,000	F & A	....		....	....	....
• registered	....	F & A	....		....	....	....
• series D 1906	2,500,000	F & A	99	Aug. 15,'04	....	....	....
• registered	....	F & A	....		....	....	....
• series E 1907	2,500,000	F & A	99¾	Oct. 18,'04	....	....	....
• registered	....	F & A	....		....	....	....
• series F 1908	2,500,000	F & A	99⅛	Nov. 3,'04	....	....	....
• registered	....	F & A	....		....	....	....
• series G 1909	2,500,000	F & A	99¼	Dec. 19,'04	....	....	....
• registered	....	F & A	....		....	....	....
• series H 1910	2,500,000	F & A	99⅛	Jan. 10,'05	....	....	....
• registered	....	F & A	....		....	....	....
• series I 1911	2,500,000	F & A	98⅛	Nov. 23,'04	....	....	....
• registered	....	F & A	....		....	....	....
• series J 1912	2,500,000	F & A	....		....	....	....
• registered	....	F & A	....		....	....	....
• series K 1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
• registered	....	F & A	....		....	....	....
• series L 1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
• registered	....	F & A	....		....	....	....
• East.Okla.div.1stg.4's. 1928	6,128,000	M & S	99¼	Jan. 23,'05	....	....	....
• • registered	....	M & S	....		....	....	....
• Chic. & St. L. 1st 6's ... 1915	1,500,000	M & S	....		....	....	....
Atlan.Coast LineR.R.Co.1stg.4's. 1952	36,844,000	M & S	103	Feb. 28,'05	103½	102	412,000
• registered		M & S	92	Feb. 15,'04	....	....	....
Charleston& Savannah 1st g. 7's .. 1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g. 6's .. 1934	4,056,000	A & O	125⅛	Nov. 30,'03	....	....	....
• 1st g. 5's 1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's .. 1928	2,800,000	M & N	114¼	Oct. 18,'04	....	....	....
Brunswick & W'n 1st gtd. g. 4's .. 1938	3,000,000	J & J	93	July 14,'04	....	....	....
Sil.Sps Oc.& G.RR.&ld g.gtd g.4s. 1918	1,067,000	J & J	97¾	Oct. 5,'04	....	....	....
Balt. & Ohio prior lien g. 3½s .. 1925	72,798,000	J & J	95	Feb. 28,'05	95½	95	235,000
• registered		J & J	96	Nov. 7,'04	....	....	....
• g. 4s 1948	70,963,000	A & O	105	Feb. 28,'05	105½	104½	280,000
• g. 4s. registered		A & O	104⅛	Jan. 16,'05	....	...	....
• ten year c. deb. g. 4's .. 1911	582,000	M & S	108	Feb. 25,'05	109½	105	59,000
Pitt Jun. & M. div. 1st g. 3½s. 1925	11,293,000	M & N	93	Feb. 27,'05	93	92	45,500
• registered		QFeb	....		....	....	....
Pitt L. E. & West Va. System refunding g 4s 1941	27,000,000	M & N	100⅞	Feb. 28,'05	101	100	315,000
• Southw'n div. 1st g.3½s. 1925	43,590,000	J & J	93	Feb. 28,'05	93	92⅝	316,000
• registered		Q J	90¼	July 16,'01	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	105⅛	Mar. 11,'04	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s, 1908	1,009,000	M & S	108	Sept. 7,'04	....	....	....
Ptsbg Clev. & Toledo, 1st g.6's .. 1922	515,000	A & O	119½	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g.4's ... 1917	688,000	J & J	100	Nov. 15,'04	....	....	....
• J. P. Morgan & Co. cer	1,921,000	......	100	Sept. 22,'04	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's ... 1937	4,427,000	M & S	119½	Feb. 8,'05	119½	119½	5,000
Alleghany & Wn. 1st g. gtd 4's. 1998	2,000,000	A & O	....		....	....	....
Clearfield & Mah. 1st g. g. 5's 1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's .. 1921	1,300,000	F & A	126½	Jan. 30,'05	....	....	....
• cons. 1st 6's 1922	3,920,000	J & D	126	Feb. 23,'05	126	126	6,000
Buff. & Susq. 1st refundg g. 4's .. 1951	4,317,000	J & J	98⅛	Feb. 20,'05	98½	98	28,000
registered		J & J	....		....	....	....

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NAME. *Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
Canada Southern 1st int. gtd 5's, 1908	14,000,000	J & J	103¾	Feb. 28,'05	104	102¼	75,000
" 2d mortg. 5's, ...1913	6,000,000	M & S	108⅛	Feb. 27,'05	109	108	4,000
" registered..................		M & S	107	July 11,'04	....	....	....
Central Branch U. Pac. 1st g. 4's.1948	2,500,000	J & D	94	Jan. 4,'05	....	....	....
Central R'y of Georgia, 1st g. 5's.1945	7,000,000	F & A	121	Jan. 24,'04	....	....	....
" registered $1,000 & $5,000		F & A	....		....	....	....
" con. g. 5's..............1945	16,700,600	M & N	115	Feb. 28,'05	115⅛	113⅝	399,000
" con. g. 5's, reg. $1,000 & $5,000		M & N	107	June14,'04	....	....	....
" 1st. pref. inc. g. 5's,.....1945	4,000,000	OCT 1	91	Feb. 28,'05	92⅛	91	149,000
" 2d pref. inc. g. 5's.......1945	7,000,000	OCT 1	67	Feb. 28,'05	70⅛	67	284,000
" 3d pref. inc. g. 5's.......1945	4,000,000	OCT 1	56	Feb. 28,'05	59¾	56	116,000
" Chat. div. pur. my. g. 4's.1951	2,057,000	J & D	95	Feb. 2,'05	95	95	1,000
" Macon & Nor. Div. 1st g. 5's...................1946	840,000	J & J	104	Feb. 19.'04	....	....	....
" Mid. Ga. & Atl. div. g 5s.1947	413,000	J & J	102	June29,'99	....	....	....
" Mobile div. 1st g. 5's....1946	1,000,000	J & J	107¼	Aug. 2,'04	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's, 1937	4,880,000	M & N	112	Feb. 17,'05	112	112	8,000
Central of New Jersey, gen. g. 5's.................1987	27,419,000	J & J	136	Feb. 27,'05	136¾	135¼	49,000
" registered..............		Q J	135⅛	Feb. 18,'05	135⅛	135	19,000
Am. Dock & Improvm't Co. 5's, 1921	4,987,000	J & J	113	Feb. 23,'05	113	112¾	58,000
Lehigh & H. R. gen. gtd g. 5's..1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's...1912	2,691,000	Q M	104¼	Jan. 7,'05	....	....	....
" con. extended gtd. 4½'s.1910	12,175,000	Q M	102⅛	Feb. 9,'05	102⅝	102⅛	28,000
N.Y. & Long Branch gen. g. 4's.1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A......1908	2,000,000	A & O	107⅛	Jan. 18,'05	....	....	....
" Mortgage gold 6's......1911	2,000,000	A & O	111	Feb. 21,'05	111	111	3,000
" 1st con. g. 5's............1939	25,858,000	M & N	119⅛	Feb. 27,'05	119⅛	119⅛	39,000
" registered..................		M & N	117⅛	Oct. 11,'04	....	....	....
" Gen. m. g. 4½'s.........1992	38,573,000	M & S	109⅛	Feb. 28,'05	110⅛	108¾	174,000
" registered..................		M & S	95	Dec. 22,'03	....	....	....
" Craig Val. 1st g. 5's.....1940	650,000	J & J	112	May 14,'03	....	....	....
" (R. & A. d.) 1st c. g. 4's, 1989	6,000,000	J & J	103⅛	Feb. 28,'05	103⅛	102⅝	6,000
" 2d con. g. 4's.............1989	1,000,000	J & J	98⅛	Feb. 16,'05	98⅛	98⅛	10,000
" Warm S. Val. 1st g. 5's, 1941	400,000	M & S	113¼	Feb. 17,'05	113¼	113¼	5,000
Greenbrier Ry. 1st gtd. 4's.....1940	2,000,000	M & N	95⅛	Sept. 20,'04	....	....	....
Chic. & Alton R. R. ref. g. 3's.... 1949	31,988,000	A & O	85¼	Feb. 28,'05	85⅛	85	80,000
" " registered.....		A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.1950	22,000,000	J & J	82⅛	Feb. 28,'05	82⅝	82	210,000
" registered................		J & J	83	Oct. 26,'02	....	....	....
Chicago, Burl. & Quincy:							
" Denver div. 4's..........1922	4,783,000	F & A	101	Feb. 21,'05	101	101	6,000
" Illinois div. 3½s........1949	50,835,000	J & J	96⅝	Feb. 28,'05	97	96⅛	98,000
" registered..................		J & J	96⅛	Feb. 24,'05	96⅛	96⅛	5,000
" Illinois div. 4s..........1949	5,992,000	J & J	105¾	Aug. 8,'04	....	....	....
" (Iowa div.) sink. f'd 5's, 1919	2,449,000	A & O	110¼	Jan. 5,'05	....	....	....
" 4's........................1919	8,049,000	A & O	103⅝	Feb. 20,'05	103⅝	103⅝	3,000
" Nebraska extensi'n 4's, 1927	25,844,000	M & N	108	Feb. 28,'05	108	107	10,000
" registered..................		M & N	106⅛	Feb. 15,'05	106⅛	106⅛	16,000
" Southwestern div. 4's..1921	2,500,000	M & S	100¾	Feb. 8,'04	....	....	....
" 4's joint bonds..........1921	215,223,000	J & J	100	Feb. 28,'05	100⅞	99¾	1,698,000
" " registered		Q JAN	99⅞	Feb. 27,'05	100⅛	99¾	69,000
" 5's, debentures..........1913	9,000,000	M & N	107¼	Feb. 15,'05	108	107	16,000
Han. & St. Jos. con. 6's.........1911	8,000,000	M & S	113⅛	Dec. 15,'04	....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's.1907	2,989,000	J & D	105	Jan. 9,'05	....	....	....
" small bonds..............		J & D	103⅛	July 8,'04	....	....	....
" 1st con. 6's, gold......1934	2,653,000	A & O	135	Feb. 15,'05	135	135	1,000
" gen. con. 1st 5's.......1937	16,529,000	M & N	120⅛	Feb. 28,'05	121	120⅛	16,000
" registered..............		M & N	119⅛	Apr. 13,'03	....	....	....
Chicago & Ind. Coal 1st 5's 1936	4,626,000	J & J	117	Sept. 1,'04	....	....	....
Chicago, Indianapolis & Louisville.							
" refunding g. 6's...........1947	4,700,000	J & J	136	Feb. 27,'05	137	135	47,000
" ref. g. 5's....................1947	4,742,000	J & J	115⅛	Feb. 23,'05	115⅛	115	3,000
Louisv. N. Alb. & Chic. 1st 6's..1910	3,000,000	J & J	109⅛	Feb. 14,'05	109⅛	109⅛	1,000
Chicago, Milwaukee & St. Paul.							
Chicago Mil. & St. Paul con. 7's, 1905	991,000	J & J	184	Feb. 15,'05	184	183	14,000
" terminal g. 5's.........1914	4,748,000	J & J	110⅛	Feb. 9,'05	110⅛	110⅛	1,000
" gen. g. 4's, series A....1989	23,676,000	J & J	113⅛	Feb. 28,'05	113⅛	112	27,000
" registered..................	....	Q J	109⅛	June18,'04	....	....	....

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" gen. g. 3½'s, series B.1989	2,500,000	J & J	98⅝	Jan. 9,'05	....	....	....
" registered..................		J & J	....	....	....	....	....
" Chic. & Lake Sup. 5's, 1921	1,360,000	J & J	116½	Apr. 29,'03	....	....	....
" Chic. & M. R. div. 5's, 1926	3,083,000	J & J	119½	Feb. 14,'05	119½	119½	10,000
" Chic. & Pac. div. 6's, 1910	3,000,000	J & J	110¾	Feb. 16,'05	110¾	110¾	8,000
" 1st Chic. & P. W. g. 5's.1921	25,340,000	J & J	116⅝	Feb. 16,'05	116⅝	116½	11,000
" Dakota & Gt. S. g. 5's.1916	2,856,000	J & J	112⅜	Jan. 24,'05	....	....	....
" Far. & So. g. 6's assu...1924	1,250,000	J & J	137½	July 18,'98	....	....	....
" 1st H'st & Dk. div. 7's, 1910	5,680,000	J & J	117	Feb. 21,'05	117	117	1,000
" 1st 5's..................1910	990,000	J & J	106	Aug. 3,'04	....	....	....
" 1st 7's, Iowa & D. ex. 1908	891,000	J & J	169	Mar. 14,'04	....	....	....
" 1st 5's, La. C. & Dav...1919	2,500,000	J & J	113	Aug. 31,'03	....	....	....
" Mineral Point div. 5's, 1910	2,840,000	J & J	107⅜	Oct. 18,'04	....	....	....
" 1st So. Min. div. 6's....1910	7,432,000	J & J	110⅝	Feb. 25,'05	111	110⅝	9,000
" 1st 6's, Southw'n div., 1909	4,000,000	J & J	109½	Feb. 16,'05	109½	109¼	53,000
" Wis. & Min. div. g. 5's.1921	4,755,000	J & J	115⅝	Jan. 24,'05	....	....	....
" Mil. & N. 1st M. L. 6's.1910	3,155,000	J & D	110½	Dec. 14,'04	....	....	....
" 1st con. 6's.............1913	5,092,000	J & D	116½	Jan. 5,'05	....	....	....
Chic. & Northwestern con. 7's...1915	13,832,000	Q F	128½	Feb. 24,'05	128½	128	18,000
" extension 4's.....1886-1926	18,632,000	F A 15	104½	Dec. 27,'04	....	....	....
" registered..................		F A 15	102⅝	May 11,'04	....	....	....
" gen. g. 3½'s...........1987	20,538,000	M & N	101	Feb. 7,'05	101	101	10,000
" registered		Q F	103	Nov.19,'98	....	....	....
" sinking fund 6's..1879-1929	5,686,000	A & O	116	Dec. 31,'04	....	....	....
" registered..................		A & O	117	Feb. 15,'05	117	117	4,000
" sinking fund 5s'..1879-1929	6,769,000	A & O	113	Feb. 16,'05	113	113	8,000
" registered..................		A & O	107	Mar. 28,'04	....	....	....
" deben. 5's..............1909	5,900,000	M & N	105½	Feb. 18,'05	106½	105½	16,000
" registered..................		M & N	104	Mar. 3,'04	....	....	....
" deben. 5's..............1921	10,000,000	A & O	113¼	Feb. 27,'05	113¼	112¾	3,000
" registered..................		A & O	108¾	Jan. 12,'04	....	....	....
" sinking f'd deben. 5's.1933	9,800,000	M & N	118½	Feb. 21,'05	118½	117¾	4,000
" registered..................		M & N	115¼	Nov.19,'04	....	....	....
Des Moines & Minn. 1st 7's.....1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's...1905	1,600,000	M & S	104½	Nov.17,'02	....	....	....
Northern Illinois 1st 5's........1910	1,500,000	M & S	105½	May 23,'04	....	....	....
Ottumwa C. F. & St. P. 1st 5's..1909	1,600,000	M & S	107	Feb. 18,'05	107	107	8,000
Winona & St. Peters 2d 7's.....1907	1,592,000	M & N	109¾	June18,'04	....	....	....
Mil., L. Shore & We'n 1st g. 6's.1921	5,000,000	M & N	129¼	Jan. 20,'05	....	....	....
" ext. & impt. s.f'd g. 5's1929	4,148,000	F & A	119¼	Nov.15,'04	....	....	....
" Ashland div. 1st g. 6's 1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
" Michigan div. 1st g. 6's.1924	1,281,000	J & J	131½	Jan. 5,'05	....	....	....
" con. deb. 5's...........1907	436,000	F & A	103	Apr. 8,'04	....	....	....
" incomes.................1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...1917	12,500,000	J & J	123	Feb. 8,'05	126	123	4,000
" registered.............1917		J & J	124	Nov.16,'04	....	....	....
" gen. g. 4's.............1988	61,581,000	J & J	106½	Feb. 28,'05	107	105¾	314,000
" registered		J & J	107	Jan. 16,'03	....	....	....
" 1st & refunding 4s....1934	16,154,000	A & O	98⅜	Feb. 28,'05	98⅞	98⅛	1,162,000
" registered..................		A & O	....	....	....	....	....
" coll. tr. ser. 4's ser. C.1905	1,494,000	M & N	101¼	Sept.29,'02	....	....	....
" D.......................1906	1,494,000	M & N	....	....	....	....	....
" E.......................1907	1,494,000	M & N	....	....	....	....	....
" F.......................1908	1,494,000	M & N	....	....	....	....	....
" G.......................1909	1,494,000	M & N	....	....	....	....	....
" H.......................1910	1,494,000	M & N	97	July14,'04	....	....	....
" I.......................1911	1,494,000	M & N	....	....	....	....	....
" J.......................1912	1,494,000	M & N	....	....	....	....	....
" K.......................1913	1,494,000	M & N	....	....	....	....	....
" L.......................1914	1,494,000	M & N	....	....	....	....	....
" M.......................1915	1,494,000	M & N	96	May 16,'04	....	....	....
" N.......................1916	1,494,000	M & N	93	May 24,'04	....	....	....
" O.......................1917	1,494,000	M & N	94	Dec. 5,'04	....	....	....
" P.......................1918	1,494,000	M & N	90	May 11,'04	....	....	....
Chic. Rock Is. & Pac. R.R. 4's..2002	69,557,000	M & N	82⅝	Feb. 28,'05	83¼	82⅛	3,793,000
" registered..................		M & N	76½	Sept.14,'04	....	....	....
" coll. trust g. 5's.......1913	17,226,000	M & S	97	Feb. 28,'05	97	96	973,000
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	102⅛	Feb. 15,'05	102⅛	102⅛	10,000
" con. 1st & col. tst 5's.1934	11,000,000	A & O	120½	Feb. 10,'05	120½	120½	1,000
" registered..................		A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.1921	1,905,000	A & O	112½	Sept.26,'04	....	....	....
Minneap's & St. Louis 1st 7's, g. 1927	150,000	J & D	40	Aug.24,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....1919	5,500,000	J & J	110	Feb. 8,'05	110	110	10,000
" con. g. 5's.............1952	5,411,000	J & J	....	....	....	....	....
Keokuk & Des M. 1st mor. 5's..1923	2,750,000	A & O	106¾	July 8,'04	....	....	....
" small bond.............1923	....	A & O	102½	Apr. 26,'04	....	....	....

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	February Sales. High.	February Sales. Low.	February Sales. Total.
Chic., St.P., Minn.& Oma.con.6's	1930	14,723,000	J & D	136	Feb. 17,'05	136	135½	20,000
• con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,836,000	M & N	131	Jan. 7,'05	....	....	....
North Wisconsin 1st mort. 6's	1930	654,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	125½	Feb. 23,'05	125½	125½	3,000
Chic., Term. Trans. R. R. g. 4's	1947	15,135,000	J & J	97	Feb. 24,'05	97⅛	97	135,000
• coupons off				95	Feb. 27,'05	95½	95	504,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,386,000	Q M	115	Feb. 27,'05	115	115	3,000
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104½	Dec. 5,'03	....	....	....
• 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	113¼	July 14,'04	....	....	....
Cin. Find. & Ft. W. 1st gtd g. 4's	1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind. & Wn. 1st & ref. gtd g. 4's	1953	4,672,000	J & J	98¾	Feb. 10,'05	99¼	98	32,000
Clev., Cin., Chic. & St. L. gen. g. 4's	1993	19,749,000	J & D	103	Feb. 27,'05	104	102½	27,000
• do Cairo div. 1st g. 4's	1939	5,000,000	J & J	100¾	Feb. 16,'05	100¾	100¾	1,000
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	98½	Feb. 3,'05	98½	98½	1,000
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	102½	Feb. 25,'05	103⅞	102½	35,000
• registered				100	Oct. 3,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	99¾	Feb. 8,'05	99¾	99¾	1,000
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,599,000	Q F	100	Nov. 11,'04	....	....	....
• registered				95	Nov. 15,'94	....	....	....
• con. 6's	1920	668,000	M & N	105	Jan. 22,'04		....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	112	Jan. 4,'05	....	....	....
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	123	Dec. 6,'04	....	....	....
• sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
• gen. consol 6's	1934	3,205,000	J & J	134	Feb. 11,'05	134	134	1,000
• registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	99¾	Feb. 17,'05	100	99½	56,000
• income 4's	1990	4,000,000	A	80½	Feb. 28,'05	82	76	896,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	112½	Feb. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116⅛	Jan. 23,'05	....	....	....
• registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	75¾	Feb. 28,'05	76	74½	311,000
Colorado & Southern 1st g. 4's	1929	19,103,000	F & A	91¾	Feb. 28,'05	93½	90¼	669,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	110¼	Feb. 6,'05	110¼	110¼	1,000
Morris & Essex 1st m 7's	1914	5,000,000	M & N	128½	Feb. 20,'05	128½	128½	2,000
• 1st c. gtd 7's	1915	11,677,000	J & D	130⅛	Feb. 21,'05	130⅛	130⅛	2,000
• registered			J & D	130	Jan. 17,'05	....	....	....
• 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	129⅛	Feb. 14,'05	129⅛	129⅛	10,000
• const. 5's	1923	5,000,000	F & A	114½	July 6,'04	....	....	....
• terml. imp. 4's	1923	5,000,000	M & N	104	Feb. 18,'05	104	104	5,000
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	107½	Jan. 31,'05	....	....	....
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's	1917	5,000,000	M & S	133¾	Mar. 30,'04	....	....	....
• reg	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	104¼	Dec. 1,'04	....	....	....
• 6's	1906	7,000,000	A & O	104¼	Feb. 3,'05	104¼	104¼	2,000
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	146⅝	Oct. 10,'04	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	101½	Feb. 28,'05	102	101¼	132,000
• con. g. 4½'s	1936	6,382,000	J & J	108	Feb. 24,'05	109½	108	18,000
• impt. m. g. 5's	1928	8,318,500	J & D	109¾	Feb. 16,'05	110	109	68,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	99¼	Feb. 28,'05	99¾	99	34,000
• mge. & col. tr. g. 4's ser. A	1949	13,336,000	A & O	94	Feb. 16,'05	94⅜	92	23,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Midl'd Ter. Ry. 1st g. s. f. 5's	1925	472,000	J & D	....	....	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	100	Sept. 13,'04	....	....	....
• g. 4s	1995	1,250,000	J & D	95	Jan. 26,'05	....	....	....
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	83⅝	Feb. 27,'05	84	80	95,000
• Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	96½	Feb. 28,'05	96½	92⅛	495,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	117	Nov. 29,'04	....	....	....
• registered			A & O	101½	July 23,'89	....	....	....
• 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	114	Feb. 23,'05	114	112½	19,000
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	117⅛	Jan. 27,'05	....	....	....

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Erie 1st ext. g. 4's	1947	2,482,000	M & N	114	June 3,'03	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	113¾	July 11,'04	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	10?½	Jan. 3,'05	....	....	....
" 4th extended g. 5's	1920	2,926,000	A & O	117½	Feb. 9,'05	117½	117½	2,000
" 5th extended g. 4's	1928	709,500	J & D	103	Feb. 17,'05	103	103	1,000
" 1st cons gold 7's	1920	16,890,000	M & S	136⅝	Feb. 10,'05	137	136⅝	13,000
" 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	35,000,000	J&J	101⅞	Feb. 28,'05	102	101½	290,000
" registered			J&J	98½	Jan. 21,'04	....	....	....
" 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	92½	Feb. 28,'05	92⅝	91¾	651,000
" registered			J&J	88	Nov. 15,'04	....	....	....
" Penn. col. trust g. 4's.	1951	33,000,000	F & A	95	Feb. 28,'05	95¼	94½	423,000
" 50 yrs. con. g. 4's ser A.	1953	10,000,000	A & O	107½	Feb. 28,'05	109	103¾	846,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	127⅞	Nov. 18,'04	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	106	Dec. 16,'04	....	....	....
" small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	123	Feb. 28,'05	123	123	1,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	105	Feb. 1,'05	105	105	2,000
Long Dock consol. g. 6's	1935	7,500,000	A & O	136½	Feb. 15,'05	136½	136½	1,000
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July 25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	113½	Nov. 25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	117	Jan. 17,'05	....	....	....
" small								
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	109¾	Dec. 21,'04	....	....	....
N. Y., Sus. & W. 1st refdg. g. 5's	1937	3,745,000	J & J	116	Feb. 28,'05	116	116	7,000
" 2d g. 4½'s	1937	447,000	F & A	104	Dec. 19,'04	....	....	....
" gen. g. 5's	1940	2,546,000	F & A	109	Feb. 24,'05	109	109	2,000
" term. 1st g. 5's	1943	2,000,000	M & N	117½	Jan. 19,'05	....	....	....
" registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	109⅞	Jan. 5,'05	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	114	Feb. 14,'05	114	114	1,000
Evans. & Terre Haute 1st con. 6's.	1921	3,000,000	J & J	124¼	Feb. 27,'05	124¼	123¾	6,000
" 1st General g 5's	1942	2,672,000	A & O	106	Oct. 10,'04	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	112	June 2,'02	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	104	Oct. 31,'04	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	109½	Feb. 28,'05	111½	109½	20,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	87½	Feb. 11,'05	87½	86½	5,000
Galveston H. & H. of 1882 1st 5s.	1913	2,000,000	A & O	105½	Jan. 24,'05	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,591,000	J & J	105¾	Feb 8,'05	105¾	104¼	79,000
" registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	13,139,000	J & J	111	Feb. 28,'05	111⅝	110½	89,000
" registered			J & J	105½	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1848	1,401,000	A & O	100¼	Apr. 12,'04	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	118	Nov. 7,'04	....	....	....
" registered			J&J	113½	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	102	Aug. 19,'04	....	....	....
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered			A & O	....		....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
" registered			M & S	....		....	....	....
" total outstg....$13,950,000						....	....	....
" collat. trust gold 4's	1952	15,000,000	A & O	105	Jan. 18,'05	....	....	....
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	105⅝	Feb. 28,'05	105½	105⅛	29,000
" registered			M & N	101	Apr. 7,'04	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....		....	....	....
" Louisville div. g. 3½'s.	1953	14,320,000	J & J	95	Feb. 3,'05	95	95	1,000
" registered			J & J	88½	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" Omaha div. 1st g. 3's	1951	5,000,000	F & A	86	Jan. 12,'05	....	....	....
" St. Louis div. g. 3's	1951	4,989,000	J & J	85	Nov. 29,'04	....	....	....
" registered			J & J	101½	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	95½	Jan. 26,'05	....	....	....
" registered			J & J	101½	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's,	1951	5,425,000	F & A	105¾	Nov. 11,'04	....	....	....
" registered			F & A	101½	Jan. 31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	124½	Apr. 5,'04	....	....	....

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Carbond'e & Shawt'n 1st g. 4's, 1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's....1951	16,555,000	J D 15	125	Feb. 2,'05	125	125	10,000
" gold 5's, registered........		J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s...............1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
" registered................		J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's, 1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
" registered................		J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's, 1931	538,000	M & S	103	Nov.10,'04	....	....	....
Ind., Dec. & West. 1st g. 5's......1935	1,824,000	J & J	106	Mar. 28,'04	....	....	....
" 1st gtd. g. 5's............1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g.4's..1950	4,850,000	J & J	99⅝	Dec. 10,'04	....	....	....
Internat. & Gt. N'n 1st. 6's, gold.1919	11,291,000	M & N	122¼	Feb. 24,'05	122¼	121¾	24,000
" 2d g. 5's... 1909	10,391,000	M & S	103¼	Feb. 27,'06	103¼	102	129,000
" 3d g. 4's...................1921	2,960,500	M & S	80	Feb. 23,'05	81	79	42,000
Iowa Central 1st gold 5's.........1938	7,650,000	J & D	116	Feb. 27,'05	116	114½	12,000
" refunding g. 4's ...1951	2,000,000	M & S	88	Feb. 4,'05	88	88	5,000
Kansas City Southern 1st g. 3's..1950	30,000,000	A & O	75	Feb. 28,'05	75⅛	74¼	841,000
" registered................		A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's...1937	7,250,000	J & J	119¾	Jan. 20,'05	....	....	....
" 2d mtge. g. 5's...........1941	3,625,000	J & J	112⅞	Feb. 28,'05	112⅞	112⅝	2,000
Northern Ohio 1st gtd g 5's... 1945	2,500,000	A & O	120	Feb. 20,'05	120	119½	4,000
Lehigh Val. (Pa.) coll. g. 5's.....1997	8,000,000	M & N	108¼	Jan. 4,'05	....	....	....
" registered..................		M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s.1940	15,000,000	J&J	110½	Feb. 15,'05	110½	110½	2,000
" registered..................	....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's.1941	10,000,000	A & O	119⅝	Jan. 31,'05	....	....	....
" registered..................		A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's.1933	10,114,000	J & J	108	Dec. 15,'04	....	....	....
" registered...............1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....1945	2,000,000	M&S	99	Jan. 3,'05	....	....	....
" registered..................		M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's 1914	750,000	A & O	106½	Nov. 3,'04	....	....	....
" " g. gtd 5's.......1914	1,250,000	A & O	100⅝	June16,'04	....	....	....
Long Island 1st cons. 5's..........1931	3,610,000	Q J	117⅛	Feb. 23,'05	117⅛	117⅛	3,000
" 1st con. g. 4's...........1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's.........1938	3,000,000	J & D	101¾	Feb. 11,'05	101¾	101¼	34,000
" Ferry 1st g. 4½'s......1922	1,494,000	M & S	105	Jan. 18,'05	....	....	....
" g. 4's...................1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
" unified g. 4's...........1949	6,860,000	M & S	102	Feb. 17,'05	102	101⅝	8,000
" deb. g. 5's........1934	1,135,000	J & D	110	June22,'04	....	....	....
" gtd. refunding g. 4's..1949	12,200,000	M & S	103	Feb. 28,'05	103¾	103	33,000
" " registered........		M & S	....	....	....	....	....
Brooklyn & Montauk 1st 6's....1911	250,000	M & S	....	....	....	....	....
" 1st 5's....................1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's, ..1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's, 1927	883,000	M & S	107½	Sept.27,'04	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's, 1932	1,425,000	QJAN	109	Nov.28,'04	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's.1927	2,724,000	M & S	105¾	Feb. 8,'05	105⅞	105⅝	33,000
Louis. & Nash. gen. g. 6's.......1930	8,239,000	J & D	120½	Feb. 15,'05	120¾	120⅝	13,000
" gold 5's.................1937	1,764,000	M & N	119⅝	Feb. 9,'05	119⅝	119½	29,000
" Unified gold 4's........1940	31,722,000	J & J	103¼	Feb. 28,'05	104	102¾	73,000
" registered 1940		J & J	101⅞	June18,'94	....	....	....
" collateral trust g. 5's, 1931	5,129,000	M & N	114⅞	Jan. 26,'05	....	....	....
" 5-20yr.col.tr.deedg.4's.1923	23,000,000	A & O	100	Feb. 28,'05	100⅝	99⅛	239,000
" E., Hend. & N. 1st 6's..1919	1,675,000	J & D	114½	Jan. 24,'05	....	....	....
" L. Cin. & Lex. g. 4½'s...1931	3,258,000	M & N	105⅝	Nov. 5,'04	....	....	....
" N. O. & Mobile 1st g. 6's..1930	5,000,000	J & J	130¾	Feb. 14,'05	130¾	130¾	1,000
" 2d g. 6's.................1930	1,000,000	J & J	126½	Feb. 17,'05	126½	126½	3,000
" Pensacola div. g. 6's...1920	580,000	M & S	116⅝	Mar. 22,'02	....	....	....
" St. Louis div. 1st g. 6's.1921	3,500,000	M & S	122	Apr. 21,'04	....	....	....
" 2d g. 3's.................1980	3,000,000	M & S	75	June20,'02	....	....	....
" At. Kx. & N. R. 1st g. 5's.1946	1,000,000	J & D	112½	Nov.16,'04	....	....	....
" H. B'ge 1st sk'fd. g 6's.1931	1,453,000	M & S	....	....	....	....	....
" Ken. Cent. g. 4's......1987	6,742,000	J & J	99¾	Feb. 27,'05	99¾	99¾	2,000
" L. & N. & Mob. & Montg 1st. g. 4½s...........1945	4,000,000	M & S	110	Feb. 3,'05	110	110	2,000
" South. Mon. joint 4's.1952	11,827,000	J & J	96⅞	Feb. 18,'05	96⅞	96½	44,000
" registered....		Q Jan	95	Feb. 6,'05	95	95	20,000
" N. Fla. & S. 1st g. g. 5's, 1937	2,096,000	F & A	114½	Feb. 1,'05	114½	114½	6,000
" Pen. & At. 1st g. g, 6's, 1921	2,394,000	F & A	113	Feb. 7,'05	113	113	4,000
" S. & N. A. con. gtd. g. 5's.1936	3,673,000	F & A	116½	Jan. 18,'05	....	....	....
" So. & N. Ala. sl'fd. g. 6s. 1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's. 1945	3,000,000	M & S	98⅝	Oct. 26,'04	....	....	....
Manhattan Railway Con. 4's.....1990	28,065,000	A & O	106½	Feb. 17,'05	107	106½	26,000
" registered..................		A & O	105	Dec. 8,'04	....	....	....

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Name.	*Principal Due.*	*Amount.*	*Int'st Paid.*	Last Sale. *Price.*	Last Sale. *Date.*	February Sales. *High.*	February Sales. *Low.*	February Sales. *Total.*
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	107⅛	Feb. 23,'05	107¼	107	10,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Mexican Central.								
" con. mtge. 4's	1911	65,690,000	J & J	74⅛	Feb. 28,'05	75⅛	74	204,000
" 1st con. inc. 3's	1939	20,511,000	JULY	24	Feb. 28,'05	24⅞	22⅛	1,044,000
" 2d 3's	1939	11,724,000	JULY	16	Feb. 28,'05	17	14	40,000
" equip. & collat. g. 5's	1917	600,000	A & O	....	....	....	....	....
" 2d series g. 5's	1919	665,000	A & O	....	....	....	....	....
" col.trust g.4½'s1st se of	1907	10,000,000	F & A	94¾	Feb. 16,'05	95⅛	94⅛	21,000
Mexican Internat'l 1st con g. 4's	1977	3,362,000	M & S	90⅝	July 29,'01	....	....	....
" stamped gtd		3,621,000	......	....	....	....	....	....
Mexican Northern 1st g. 6's	1910	999,000	J & D	....	....	....	....	....
" registered			J & D	105	May 2,19'	....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	142	Dec. 7,'03	....	....	....
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	111⅝	Jan. 31,'05	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	122	Feb. 15,'05	122	122	10,000
" Southw. ext. 1st g. 7's	1910	636,000	J & D	121	Jan. 21,'02	....	....	....
" 1st con. g. 5's	1934	5,000,000	M & N	117¾	Jan. 17,'05	....	....	....
" 1st & refunding g. 4's	1949	8,850,000	M & S	98	Feb. 21,'05	98	98	2,000
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	32,055,000	J & J	99	Jan. 17,'05	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
" stamped pay. of int. gtd.				89¾	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	40,000,000	J & D	101	Feb. 27,'05	101¼	100⅛	292,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	85⅝	Feb. 28,'05	86	85	385,590
" 1st ext gold 5's	1944	3,254,000	M & N	107	Feb. 25,'05	107	106	193,000
St. Louis div. 1st refundg 4s	2001	1,886,000	A & O	90	Feb. 21,'05	90	90	11,000
Dallas & Waco 1st gtd. g. 5's	1940	1,340,000	M & N	105¼	Dec. 22,'04	....	....	....
Kan. City & Pac. 1st g. 4s	1990	2,500,000	F & A	95	Feb. 27,'05	95¼	94⅝	7,000
Mo., Kan. & East. 1st gtd. g. 5s	1942	4,000,000	A & O	111⅛	Jan. 30,'05	....	....	....
Mo., Kan. & Ok. 40 yr. 1st gtd. 5s	1942	5,468,000	M & N	107⅞	Feb. 24,'05	108	106⅛	28,000
Mo., K. & Tex. of Tex. 1st gtd. g. 5s	1942	4,505,000	M & S	108⅛	Feb. 28,'05	109	108⅛	111,000
Sher., Shreve. & So. 1st gtd. g. 5s	1943	1,689,000	J & D	107⅛	Feb. 24,'05	107⅛	107⅛	25,000
Tex. & Ok. 40 yr. 1st gtd. g. 5s	1943	2,347,000	M & S	107	Feb. 17,'05	107	107	5,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	125	Feb. 28,'05	125¼	124⅛	41,000
" 3d mortgage 7's	1906	3,828,000	M & N	106⅝	Feb. 7,'05	106⅝	106⅝	37,000
" trusts gold 5's stamp'd	1917	14,376,000	M & S	110	Feb. 23,'05	110⅛	109	50,000
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's	1920	9,636,000	F & A	107¾	Feb. 27,'05	107⅞	107	47,000
" registered			F & A	....	....	....	....	....
Cent. Branch Ry. 1st gtg. g. 4's	1919	3,459,000	F & A	96⅛	Feb. 15,'05	96⅛	96	16,000
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	100	May 1,'01	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	103⅛	Feb. 20,'05	104	103	17,000
" 2d extended g. 5's	1938	2,573,000	F & A	116⅝	Dec. 22,'04	....	....	....
St. L. & I. g. con. R.R. & l. gr. 5's	1931	36,709,000	A & O	118	Feb. 28,'05	118¼	117¾	45,000
" stamped gtd gold 5's	1931	6,532,000	A & O	109¾	Oct. 21,'03	....	....	....
" unify'g & rfd'g g. 4's	1929	30,347,000	J & J	96	Feb. 28,'05	96¼	95¼	416,000
" registered			J & J	87¼	Apr. 23,'04	....	....	....
" Riv & Gulf divs 1st g 4s	1933	18,734,000	M & N	97¼	Feb. 28,'05	97¾	97¼	129,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	111⅛	Mar. 8,04'	....	....	....
" small		226,000	J & J	90	Feb. 4,'03	....	....	....
" mtg. g. 4's	1945	700,000	J & J	95	Nov. 1,'04	....	....	....
" small		500,000	......	94	Aug. 6,'04	....	....	....
Mob. Jackson & Kan. City 1st g. 5's	1946	1,882,000	J & D	98⅛	Feb. 21,'05	98⅛	97⅛	13,000
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	128	Feb. 15,'05	128¼	128	6,000
" 1st extension 6's	1927	974,000	J & D	121	Apr. 23,'04	....	....	....
" gen. g. 4's	1938	9,472,000	Q J	99	Feb. 28,'05	99	97⅛	10,000
" Montg'ry div. 1st g. 5's	1947	4,000,000	F & A	114	Feb. 20,'05	114	113¾	6,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	101	Nov. 9,'04	....	....	....
" collateral g. 4's	1930	2,494,000	Q F	95	Feb. 20,'05	95	95	1,000
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	121⅛	Feb. 14,'05	121⅛	121⅛	6,000
" 1st cons. g. 5's	1928	7,566,000	A & O	117	Feb. 24,'05	117	116	3,000
" 1st g. 6's Jasper Branch	1923	371,000	J & J	119	Jan. 17,'05	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	113⅛	June 9,'04	....	....	....
" 1st 6's T. & Pb.	1917	300,000	J & J	113	July 6,'99	....	....	....
Nat'R.R. of Mex. prior lien g. 4½'s	1926	20,000,000	J & J	101	Jan. 30,'05	....	....	....
" 1st con. g. 4's	1951	22,000,000	A & O	82¾	Feb. 27,'05	83	81⅞	348,000
NO. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108¼	Aug. 13,'94	....	....	....
N.Y. Cent. & Hud. R. g. mtg. 3½s	1997	75,946,000	J & J	100⅝	Feb. 28,'05	100⅝	99¾	236,000
" " registered			J & J	100¼	Feb. 24,'05	100¼	100	58,000
" debenture g. 4's	1890-1905	5,094,000	J & D	100¾	Feb. 8,'05	100¾	100¾	3,000
" registered			J & D	99	Dec. 12,'02	....	....	....

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
" deb. cert. ext. g. 4's...1905	3,581,000	M & N	100⅛	Oct. 10,'04	....	....	....
" registered..................		M & N	99⅛	Nov. 8,'02	....	....	....
Lake Shore col. g. 3½s..........1998	90,578,000	F & A	91	Feb. 28,'05	91⅛	90¾	704,000
" registered..................		F & A	90	Feb. 23,'05	90	89½	15,000
Michigan Central col. g. 3½s..1998	19,336,000	F & A	89¼	Feb. 28,'05	90	89½	84,000
" registered..................		F & A	91	Jan. 17,'03	....	....	....
Beech Creek 1st. gtd. 4's........1936	5,000,000	J & J	107⅛	Feb. 2,'05	107⅛	106⅛	35,000
" registered..................		J & J	102	Mar. 31,'03	....	....	....
" 2d gtd. g. 5's...........1936	500,000	J & J	....	....	....	....	....
" registered..................	....	J & J	....	....	....	....	....
" ext. 1st. gtd. g. 3½'s..1951	3,500,000	A & O	....	....	....	....	....
" registered..................		A & O	....	....	....	....	....
Carthage & Adiron. 1st gtd g. 4's 1981	1,100,000	J & D	....	....	....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A. 1940	716,000	J & J	87⅛	June 23,'04	....	....	....
" small bonds series B......	33,000	J & J	....	....	....	....	....
Gouv. & Oswega. 1st gtd g. 5's. 1942	300,000	J & D	....	....	....	....	....
Mohawk & Malone 1st gtd g. 4's. 1991	2,500,000	M & S	107⅛	July 6,19'	....	....	....
N. Jersey Junc. R. R. g. 1st 4's. 1986	1,650,000	F & A	105	Oct. 10,'02	....	....	....
" reg. certificates...........		F & A	....	....	....	....	....
N. Y. & Putnam 1st con. gtd g. 4's. 1993	4,000,000	A & O	107	Feb. 24,'05	107	104	10,000
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....	....	....	....	....
West Shore 1st guaranteed 4's. 2361	50,000,000	J & J	109¼	Feb. 27,'05	110	108⅛	94,000
" registered..................		J & J	108⅛	Feb. 28,'05	108¾	108	61,500
Lake Shore g 3½s..............1997	50,000,000		101	Feb. 23,'05	101¼	101	28,000
" registered..................		J & D	100⅛	Feb. 21,'05	100⅝	100⅛	251,000
" deb. g. 4's...........1928	40,000,000	M & S	103¼	Feb. 28,'05	103¼	102⅝	402,000
Detroit, Mon. & Toledo 1st 7's. 1906	924,000	F & A	114	Feb. 6,'02	....	....	....
Kal., A. & G. R. 1st gtd c. 5's...1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's....1934	1,500,000	J & J	121	Nov. 21,'03	....	....	....
Pitt McK'port & Y. 1st gtd 6's..1932	2,250,000	J & J	139	Jan. 21,'03	....	....	....
" 2d gtd 6's...........1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's...1918	600,000	J & J	....	....	....	....	....
Michigan Cent. 6's...............1909	1,500,000	M & S	109⅝	Apr. 19,'04	....	....	....
" 5's.........................1931	3,576,000	M & S	124	Feb. 3,'05	124	124	4,000
" 5's reg.................1931		Q M	121	July 20,'04	....	....	....
" 4's.........................1940	2,600,000	J & J	106¼	June 9,'04	....	....	....
" 4's reg....................		J & J	106⅛	Nov. 26,19'	....	....	....
" g. 3½'s sec. by 1st mge. on J. L. & S............	1,900,000	M & S	....	....	....	....	....
" 1st g. 3½'s.............1952	13,000,000	M & N	96¼	May 26,'04	....	....	....
Battle C. Sturgis 1st g. g. 3's...1989	476,000	J & D	....	....	....	....	....
N. Y. & Harlem 1st mort. 7's c..1900	12,000,000	M & N	100	Sept. 24,19'	....	....	....
" 7's registered..........1900		M & N	102¾	Apr. 6,19'	....	....	....
N. Y. & Northern 1st g. 5's.....1927	1,200,000	A & O	115½	Sept. 1,'04	....	....	....
R. W. & Og. con. 1st ext. 5's...1922	9,081,000	A & O	119⅝	Feb. 24,'05	119⅝	119½	21,000
coup. g. bond currency..........		A & O	....	....	....	....	....
Oswego & Rome 2d gtd gold 5's. 1915	400,000	F & A	113¾	Jan. 25,'02	....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's. 1918	375,000	M & N	....	....	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	107½	Feb. 4,'05	107½	107½	5,000
N. Y., Chic. & St. Louis 1st g. 4's...1937	19,425,000	A & O	105¼	Feb. 28,'05	105⅞	105	18,000
" registered..................		A & O	101	Mar. 28,'03	....	....	....
N. Y., N. Haven & Hartford.							
Housatonic R. con. g. 5's.......1937	2,838,000	M & N	131¾	Apr. 29,'03	....	....	....
New Haven and Derby con. 5's 1918	575 000	M & N	115½	Oct. 15,'94	....	....	....
N. Y., Ont. & W'n. ref'ding 1st g. 4's. 1992	20,000,000	M & S	105¾	Feb. 27,'05	106⅝	105¾	52,000
" registered.......$5,000 only.	....	M & S	103½	Jan. 17,'05	....	....	....
Norfolk & Southern 1st g. 5's....1941	1,590,000	M & N	111¼	Feb. 6,'05	111¼	111¼	5,000
Norfolk & Western gen. mtg. 6's. 1931	7,283,000	M & N	133½	Jan. 23,'05	....	....	....
" imp'ment and ext. 6's..1934	5,000,000	F & A	132	Dec. 1,'04	....	....	....
" New River 1st 6's.........1932	2,000,000	A & O	132½	Dec. 28,'04	....	....	....
Norfolk & West. Ry. 1st con. g. 4s. 1996	39,710.500	A & O	103½	Feb. 28,'05	104¼	103¼	281,500
" registered..................		A & O	99¾	June 18,'03	....	....	....
" small bonds..................		A & O	....	....	....	....	....
" div. 1st lien & gen g. 4s. 1944	5,000,000	J & J	99	Feb. 27,'05	100	98¼	11,000
" " registered		J & J	....	....	....	....	....
" Pocahon C. & C. Co. jt. 4's. 1941	20,000,000	J & D	97¼	Feb. 28,'05	97¾	96½	341,000
" C. C. & T. 1st g. t. g g 5's 1922	600,000	J & J	109½	Feb. 20,'05	109½	109½	2,000
" Sci'o Val & N. E. 1st g. 4's, 1989	5,000,000	J & N	102½	Feb. 9,'05	103	102½	19,000
N. P. Ry prior ln ry. & ld. gt. g. 4's..1997	101,392,500	Q J	105½	Feb. 28,'05	106	105½	354,500
" registered..................		Q J	104½	Feb. 24,'05	105	104	13,000
" gen. lien g. 3's..........2047	56,000,000	Q F	77	Feb. 28,'05	77¼	76¾	589,000
" registered..................		Q F	75	Feb. 21,'05	75	75	3,000
St. Paul & Duluth div. g. 4's...1996	7,897,000	J & D	101	Feb. 28,'05	101	101	6,000

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" registered		7,897,000	J & D					
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	126⅝	Jan. 5,'05			
" registered certificates			Q F	132	July 28,'98			
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	112¼	July 21,'03			
" 2d 5's	1917	2,000,000	A & O	109	Feb. 20,'05	109	108	10,000
" 1st con. g. 4's	1968	1,000,000	J & D	101	Feb. 24,'05	101	99⅞	11,000
Washington Cen. Ry 1st g. 4's	1948	1,538,000	Q M C H	94	Aug. 16,'04			
Nor. Pacific Term. Co. 1st g. 6's	1933	3,587,000	J & J	116	Jan. 30,'05			
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	118¼	Feb. 2,'05	118¼	118¼	5,000
" gen. mortg. g 6's	1937	2,428,000	A & O	113¼	Feb. 16,'05	113¼	113¼	6,000
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	115⅛	Feb. 20,'05	115⅛	114	11,000
Panama 1st sink fund g. 4½'s	1917	2,371,000	A & O	104	Jan. 7,'05			
" s. f. subsidy g 6's	1910	715,000	M & N	102	Apr. 14,'02			
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	111¼	Feb. 28,'05	111¼	111	15,000
" reg	1921		J & J	106	Jan. 18,'05			
" gtd. 3½ col. tr. reg. cts.	1937	4,895,000	M & S	98	July 16,'04			
" gtd. 3½ col. tr. cts. ser B	1941	9,687,000	F & A	92¼	Dec. 28,'03			
" Trust Co. ctfs. g. 3½'s	1916	15,998,000	M & N	98	Feb. 10,'05	98	97⅞	7,000
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	118	Oct. 27,'04			
" registered			A & O	110	May 3,'92			
Cin., Leb. & N. 1st con. gtd. g. 4's	1942	900,000	J & J					
Clev. & P. gen. gtd. g. 4½'s Ser. A	1942	3,000,000	J & J	108¼	Aug. 21,'03			
" Series B	1942	1,561,000	A & O					
" " int. reduc. 3½ p.c.		439,000						
" Series C 3½s	1948	3,000,000	M & N					
" Series D 3½s	1950	1,990,000	F & A	96	Jan. 8,'04			
E. & Pitts. gen. gtd. g. 3½s Ser. B	1940	2,240,000	J & J	102	Nov. 7,19'			
" " " C	1940	2,218,000	J & J	98¾	Apr. 4,'04			
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J					
Pitts., C. C. & St. L. con. g 4½'s.								
" Series A	1940	10,000,000	A & O	114½	Jan. 24,'05			
" Series B gtd	1942	8,786,000	A & O	113¾	Jan. 10,'05			
" Series C gtd	1942	1,379,000	M & N	110	Aug. 17,'01			
" Series D gtd. 4's	1945	4,983,000	M & N	104½	Oct. 6,'04			
" Series E gtd. g. 3½s	1949	10,260,000	F & A	93⅝	Feb. 2,'05	93⅝	93⅝	10,00
Pitts., Ft. Wayne & C. 1st 7's	1912	2,219,000	J & J	127⅝	Oct. 21,'02			
" 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03			
" 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04			
Tol Walhonding Vy. & O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J					
" 4½'s series B	1933	978,000	J & J					
" 4's series C	1942	1,453,000	M & S					
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Feb. 28,'05	107	106	4,000
con. sterling gold 6 per cent	1905	22,762,000	J & J					
con. currency, 6's registered	1905	4,718,000	Q M 15					
con. gold 5 per cent	1919	4,998,000	M & S	111⅛	Sept. 21,'04			
" registered			Q M					
con. gold 4 per cent	1943	2,797,000	M & N	108	Aug. 28,'03			
" ten year conv. 3½'s	1912	20,692,500	M & N	105¾	Feb. 28,'05	106⅛	103¾	927,000
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	110	Aug. 28,19'			
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J					
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05			
Del. R. RR. & Bge Co 1st gtd g. 4's	1936	1,300,000	F & A					
G. R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	110	Oct. 6,'04			
Phila. Balto. & Wash. 1st g. 4's	1943	10,570,000	M & N	107⅝	Dec. 30,'04			
" registered			M & N					
Pitts. Va. & Charl. Ry 1st gtd g. 4's	1943	6,000,000	M & N					
Sunbury & Lewistown 1st g. 4's	1936	500,000	J & J					
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept. 28,04'			
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123⅛	Jan. 18,'05			
" 2d m 4½'s	1921	1,499,000	M & N	101	July 8,'04			
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02			
Flint & Pere Marquette g. 6's	1920	3,999,000	A & O	123	Feb. 8,'05	123	123	4,000
" 1st con. gold 5's	1939	2,850,000	M & N	112	Jan. 16,'05			
" Port Huron d 1st g 5's	1939	3,325,000	A & O	112¼	Oct. 21,'04			
Sag'w Tusc. & Hur. 1st gtd. g. 4's	1931	1,000,000	F & A					
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93			
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01			
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112½	Dec. 13,'93			
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	117½	Jan. 10,'05			
" 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'			
Pittsburg. Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	117½	Oct. 24,'04			
Reading Co. gen. g. 4's	1997	66,232,000	J & J	102¼	Feb. 27,'04	103	102⅛	547,000
" registered			J & J	100	Jan. 27,'05			
" Jersey Cent. col. g. 4's	1957	23,000,000		100⅝	Feb. 28,'05	100⅝	99¾	186,000
" " registered								

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Atlantic City 1st con. gtd. g. 4's	1951	1,063,000	M & N	....	....	....	....	....
Philadelphia & Reading con. 6's	1911	7,304,000	J & D	118¼	Feb. 25,'05	118¼	118¼	2,000
" registered		663,000	J & D	....	....	....	....	....
" 7's	1911	7,310,000	J & D	119¼	Apr. 2,'04	....	....	....
" " registered		3,339,000	J & D	118	Jan. 7,'05	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's	1939	2,000,000	J & D	111½	July 28,'04	....	....	....
Rio Grande Southern 1st g. 4's	1940	2,233,000	J & J	77	Feb. 7,'05	77	77	2,000
" guaranteed		2,277,000	......	89	Jan. 4,'05	....	....	....
Rutland RR 1st con. g. 4½ s	1941	2,440,000	J & J	103¾	May 10,'04	....	....	....
Ogdnsb. & L. Ch'n. Ry. 1st gtd g 4s	1948	4,400,000	J & J	....	....	....	....	....
Rutland Canadian 1st gtd. g. 4's	1949	1,350,000	J & J	101¼	Nov. 18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.3.4's	1947	3,500,000	J & J	94½	Feb. 8,'05	94½	94	11,000
St. L. & Adirondack Ry. 1st g. 5's	1996	800,000	J & J	....	....	....	....	....
" 2d g. 6's	1996	400,000	A & O	....	....	....	....	....
St. Louis & San F. 2d 6's, Class B	1906	998,000	M & N	104⅝	Feb. 20,'05	104⅝	104⅝	4,000
" 2d g. 6's, Class C	1906	829,000	M & N	104⅛	Feb. 21,'05	104⅝	104⅛	6,000
" gen. g. 6's	1931	3,681,000	J & J	130½	Feb. 21,'05	130½	130	32,000
" gen. g. 5's	1931	5,803,000	J & J	114¾	Feb. 28,'05	114¾	114¾	1,000
St. L. & San F. R. R. con. g. 4's	1996	1,558,000	J & D	99¾	Feb. 28,'05	99¾	99¾	8,000
" S. W. div. g. 5's	1947	829,000	A & O	98⅝	Nov. 23,'04	....	....	....
" refunding g. 4's	1951	58,997,000	J & J	91¼	Feb. 28,'05	93⅛	91¼	1,606,000
" " registered			J & J	....	....	....	....	....
" 5 year 4½'s gold notes	1908	5,728,000	J & D	96	Dec. 8,'04	....	....	....
Kan. Cy Ft. S. & Mem R R con g 6's	1928	13,736,000	M & N	126¼	Jan. 23,'05	....	....	....
Kan. Cy Ft. S & M Ry ref g gtd g 4s	1936	16,858,000	A & O	91⅝	Feb. 28,'05	91⅝	89⅞	739,000
" registered			A & O	78½	Jan. 14,'04	....	....	....
Kan. Cy & M. R. & B. Co. 1st gtd g 5s	1929	3,000,000	A & O	....	....	....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	99⅝	Feb. 28,'05	100⅛	99¼	225,000
" 2d g. 4's inc. Bd. ctfs.	1989	3,272,500	J & J	85¾	Feb. 28,'05	86	84	98,000
" con. g. 4's	1932	15,178,000	J & D	82⅝	Feb. 28,'05	83	82	1,592,000
Gray's Point, Term. 1st gtd. g. 5's	1947	339,000	J & D	....	....	....	....	....
St. Paul, Minn. & Manito'a 2d 6's	1909	6,932,000	A & O	110½	Jan. 20,'05	....	....	....
" 1st con. 6's	1933	13,344,000	J & J	137	Feb. 23,'05	137	137	3,000
" 1st con. 6's, registered			J & J	140	May 14,'02	....	....	....
" 1st c. 6's, red'd to g. 4½'s		19,322,000	J & J	111¼	Feb. 27,'05	111¼	111¼	13,000
" 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01	....	....	....
" Dakota ext'n g. 6's	1910	5,284,000	M & N	112⅝	Feb. 23,'05	112⅝	112⅝	27,000
" Mont. ext'n 1st g. 4's	1937	10,185,000	J & D	104⅛	Feb. 16,'05	104⅛	104	29,000
" registered			J & D	106	May 6,'01	....	....	....
Eastern R'y Minn, 1st d. 1st g. 5's	1908	4,700,000	A & O	102⅝	Oct. 25,'04	....	....	....
" registered			A & O	....	....	....	....	....
" Minn. N. div. 1st g. 4's	1940	5,000,000	A & O	....	....	....	....	....
" registered			A & O	....	....	....	....	....
Minneapolis Union 1st g. 6's	1922	2,150,000	J & J	128	Apr. 4,19'	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	135	Jan. 25,'05	....	....	....
" 1st 6's, registered			J & J	134¾	Dec. 20,'04	....	....	....
" 1st g. g. 5's	1937	4,000,000	J & J	118⅛	Feb. 20,'05	118⅛	118⅛	5,000
" registered			J & J	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	117	Jan. 11,'04	....	....	....
" registered			J & D	....	....	....	....	....
Salt Lake City 1st g. s. f. 6's	1913	297,000	J & J	....	....	....	....	....
San Fe Pres. & Phoe. Ry. 1st g. 5's	1942	4,940,000	M & S	110	Jan. 7,'04	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's	1919	3,872,000	J & J	113¾	Dec. 11,'01	....	....	....
Seaboard Air Line Ry g. 4's	1950	12,775,000						
" registered			A & O	91½	Feb. 27,'05	92	88	358,000
" col. trust refdg g. 5's	1911		A & O	....	....	....	....	....
Carolina Central 1st con. g. 4's	1949	10,000,000	M & N	104⅛	Feb. 27,'05	104⅛	104⅛	4,000
Fla Cent & Peninsular 1st g. 5's	1918	2,847,000	J & J	98	Feb. 9,'05	98	98	5,000
" 1st land grant ext g. 5's	1930	3,000,000	J & J	109	Feb. 2,'05	109	109	1,000
" cons. g. 5's	1943	410,000	J & J	....	....	....	....	....
Georgia & Alabama 1st con. 5's	1945	4,370,000	J & J	104¾	July 18,'04	....	....	....
Ga. Car. & Nthern 1st gtd g. 5's	1929	2,922,000	J & J	113½	Feb. 23,'05	114	113¼	21,000
Seaboard & Roanoke 1st 5's	1926	5,360,000	J & J	110	Jan. 16,'05	....	....	....
Sodus Bay & Sout'n 1st 5's, gold	1924	2,500,000	J & J	....	....	....	....	....
Southern Pacific Co.		500,000	J & J	102	Jan. 20,'08	....	....	....
" 2-5 year col. trust g. 4½'s	1905	30,000,000	J & D	101⅝	Feb. 28,'05	101¾	101⅝	727,000
" g. 4's Central Pac. coll.	1949	28,818,500	J & D	96	Feb. 28,'05	96¾	96	508,000
" " registered			J & D	94½	Aug. 17,'04	....	....	....
Austin & Northw'n 1st g. 5's	1941	1,920,000	J & J	109½	Feb. 3,'05	109½	109½	3,000
Cent. Pac. 1st refud. gtd. g. 4's	1949	76,877,000	F & A	101¼	Feb. 28,'05	101¾	100¾	261,500
" registered			F & A	99¼	Mar. 5,'93	....	....	....
" mtge. gtd. g. 3½'s	1929	17,685,500	J & D	89	Feb. 15,'05	89½	89	56,000
" " registered			J & D	....	....	....	....	....
" through S L 1st gtd g. 4's	1954	8,300,000	A & O	....	....	....	....	....
" registered			A & O	....	....	....	....	....
Gal. Harrisb'gh & S. A. 1st g 6's	1910	4,756,000	F & A	108⅛	Feb. 28,'05	108⅛	108⅛	22,000
" 2d g 7's	1905	1,000,000	J & D	103	Sept. 20,'04	....	....	....
" Mex. & P. div 1st g 5's	1931	13,418,000	M & N	115	Feb. 24,'05	115	113½	15,000

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Gila Val.G.& N'n 1st gtd g 5's.1924	1,514,000	M & N	110	Dec. 31,'04	....	....	....
Houst. E. & W. Tex. 1st g.5's..1933	501,000	M & N	105¼	Jan. 27,'05	....	....	....
" 1st gtd. g. 5's.........1933	2,199,000	M & N	107¼	Feb. 20,'05	107¼	107¼	5,000
Houst. & T.C. 1st g 5's int. gtd..1937	5,092,000	J & J	111¼	Feb. 10,'05	111¼	111¼	5,000
" con. g 6's int. gtd......1912	2,430,000	A & O	113	Dec. 15,'04	....	....	....
" gen. g 4's int. gtd......1921	4,275,000	A & O	98¼	Feb. 27,'05	98¼	97¼	8,000
" W&N wn.div.1st.g.6's.1930	1,105,000	M & N	127⅛	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's 1921	2,240,000	J & J	....		....	....	....
Morgan's La & Tex. 1st g 6's....1920	1,494,000	J & J	122	Dec. 6,'04	....	....	....
" 1st 7's..................1918	5,000,000	A & O	129½	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's..1912	1,465,000	A & O	....		....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's.1907	3,964,000	J & J	106	Sept.14,'04	....	....	....
" gtd. g. 5's..................	4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's........1927	18,631,000	J & J	102	Nov.25,'04	....	....	....
San Ant.&AranPass1stgtdg4's.1943	17,544,000	J & J	91	Feb. 27,'05	91½	90¼	239,000
South'n Pac.of Ariz.1st 6's.....1909	6,000,000	J & J	106½	Jan. 19,'05	....	....	....
" " " 1910	4,000,000	J & J	109⅝	Jan. 6,'05	....	....	....
" of Cal. 1st g 6's ser. A.1905	29,187,500	A & O	100⅝	Oct. 8,'04	....	....	....
" " " ser. B.1905		A & O	102	Oct. 22,'03	....	....	....
" " " C. & D.1906		A & O	104½	Dec. 22,'04	....	....	....
" " " E. & F.1902		A & O	114½	Feb. 14,'05	114½	114½	1,000
" " " 1912	....	A & O	116	June29,'04	....	....	....
" 1st con. gtd. g 5's...1937	6,809,000	M & N	119	Feb. 2,'04	....	....	....
" stamped........1905-1937	21,470,000	......	109⅛	Feb. 23,'05	109⅛	109⅛	1,000
So. Pacific Coast 1st gtd. g. 4's.1937	5,500,000	J & J	....		....	....	....
" of N. Mex. c. 1st 6's.1911	4,180,000	J & J	109¼	Feb. 23,'05	109¼	109¼	10,000
Tex. & New Orleans 1st 7's......1905	862,000	F & A	103	Oct. 3,'04	....	....	....
" Sabine div. 1st g 6's...1912	2,575,000	M & S	112¼	Feb. 24,'05	112¼	112	6,000
" con. g 5's...............1943	1,620,000	J & J	103	Jan. 30,'04	....	....	....
Southern Railway 1st con. g 5's.1994	41,177,000	J & J	119⅛	Feb. 28,'05	120	119½	200,000
" registered.....................		J & J	110	Feb. 29,'04	....	....	....
Mob. & Ohio collat. trust g. 4's.1938	7,999,000	M & S	99	Feb. 28,'05	99	98½	55,000
" registered................		M & S	....		....	....	....
" Memph.div.1stg.4-4½-5's.1996	5,183,000	J & J	117¼	Dec. 2,'04	....	....	....
" registered....................		J & J	....		....	....	....
" St. Louis div. 1st g. 4's...1951	11,750,000	J & J	99	Feb. 28,'05	99	98¼	81,000
" " registered........		J & J	....		....	....	....
Alabama Central. 1st 6's.......1918	1,000,000	J & J	118½	Nov.29,'04	....	....	....
Atlantic & Danville 1st g. 4's..1948	3,925,000	J & J	96½	Jan. 19,'05	....	....	....
" 2d mtg..................1948	775,000	J & J	90½	Dec. 6,'04	....	....	....
Atlantic & Yadkin,1st gtd g 4s.1949	1,500,000	A & O	....		....	....	....
Col. & Greenville, 1st 5-6's.....1916	2,000,000	J & J	118	May 12,'04	....	....	....
East Tenn., Va. & Ga.div.g.5's.1930	3,106,000	J & J	114	Feb. 7,'05	114	114	1,000
" con. 1st g 5's..........1956	12,770,000	M & N	121⅝	Feb. 27,'05	122	121½	25,000
" reorg. lien g 4's.......1938	4,500,000	M & S	116	Feb. 6,'05	116	116	5,000
" registered...............		M & S	....		....	....	....
Ga. Pacific Ry. 1st g 5-6's......1922	5,660,000	J & J	123⅝	Feb. 23,'05	123⅝	123⅝	1,000
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	126½	Feb. 7,'05	126½	126½	5,000
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	115¾	Jan. 23,'05	....	....	....
" deb. 5's stamped......1927	3,368,000	A & O	112⅝	Jan. 24,'05	....	....	....
Rich. & Mecklenburg 1st g. 4's.1948	315,000	M & N	98	Feb. 18,'05	98	96½	15,000
South Caro'a & Ga. 1st g. 5's....1919	5,250,000	M & S	111	Feb. 15,'05	111	109¾	31,000
Vir. Midland serial ser. A 6's..1906	600,000	M & S	103	Mar. 29,'04	....	....	....
" small......................		M & S	....		....	....	....
" ser. B 6's...............1911	1,900,000	M & S	112¼	Jan. 6,'03	....	....	....
" small......................		M & S	....		....	....	....
" ser. C 6's..............1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
" small......................		M & S	....		....	....	....
" ser. D 4-5's.............1921	950,000	M & S	110	Dec. 22,'04	....	....	....
" small......................		M & S	....		....	....	....
" ser. E 5's...............1926	1,775,000	M & S	114	Jan. 11,'05	....	....	....
" small......................		M & S	....		....	....	....
" ser. F 5's..............1931	1,310,000	M & S	108	Nov. 9,'03	....	....	....
Virginia Midland gen. 5's.......1936	2,392,000	M & N	116¼	Feb. 28,'05	116⅝	116¼	17,000
" gen.5's. gtd. stamped.1926	2,466,000	M & N	110¼	May 10,'04	....	....	....
W. O. & W. 1st cy. gtd. 4's.....1924	1,025,000	F & A	93	Dec. 31,'03	....	....	....
W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	115½	Feb. 17,'05	115½	115½	2,000
Spokane Falls & North.1st g.6's..1939	2,812,000	J & J	117	July 25,'19	....	....	....
Staten Isl.Ry.N.Y.1stgtd.g.4½'s.1943	500,000	J & D	100	Nov.22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	114½	Dec. 1,'03	....	....	....
" 1st con. g. 5's.....1894-1944	5,000,000	F & A	122	Jan. 27,'05	....	....	....
" gn. refdg. sg. fd. g.4's. 1953	18,000,000	J & J	100¼	Feb. 23,'05	100⅝	100¼	8,000
" " " registered. 1953		J & J	....		....	....	....
St. L. Mers. bdg. Ter. gtd g.5's...1930	3,500,000	A & O	112½	July 29,'04	....	....	....
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th 1905	2,741,000	M & S	101½	Dec. 15,'04	....	....	....
" 1st gold 5's..............2000	22,234,000	J & D	122¼	Feb. 28,'05	123	121	162,000
" 2d gold income, 5's......2000	963,000	MAR.	102	Feb. 23,'05	102	98	101,000

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" La. Div.B.L. 1st g.5's...1931	4,241,000	J & J	109⅛	Aug. 5,'04	....	....	....
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's.........1930	500,000	F & A	106⅛	Nov. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's....1935	3,000,000	J & J	114⅛	Jan. 10,'05	....	....	....
" 1st M. g 5's West. div...1935	2,500,000	A & O	111	May 31,'04	....	....	....
" gen. g. 5's.... 1935	2,000,000	J & D	107	Sept. 8,'04	....	....	....
" Kanaw & M. 1st g. g. 4's.1990	2,469,000	A & O	98⅛	Feb. 28,'05	98⅛	98⅛	6,000
Toledo, Peoria & W. 1st g 4's....1917	4,900,000	J & D	92¾	Jan. 24,'05	....	....	....
Tol., St.L.&Wn. prior lien g 3½'s.1925	9,000,000	J & J	90¼	Feb. 28,'05	91⅛	90	189,000
" registered....................		J & J	....		....	....	....
" fifty years g. 4's........1925	6,500,000	A & O	85	Feb. 27,'05	85	83⅛	245,000
" registered....................		A & O	....		...	....	....
Toronto,Hamilton&Buff 1st g 4s.1946	3,280,000	J & D	95¼	Sept.16,'03	....	....	....
Ulster & Delaware 1st c. g 5's....1928	2,000,000	J & D	111	Dec. 14,'04	....	....	....
" 1st ref. g. 4's............1952	700,000	A & O	95¼	Jan. 13,'05	....	....	....
Union Pacific R. R. & ld gt g 4s...1947	100,000,000	J & J	105⅞	Feb. 28,'05	106⅛	105⅛	612,000
" registered.................		J & J	105¾	Feb. 9,'05	105¾	104	14,000
" 1st lien con. g. 4's......1911	58,854,000	M & N	133⅞	Feb. 28,'05	133½	120¾	13,567,000
" registered.................		M & N	121	Feb. 3,'05	121⅛	121	32,000
Oreg. R. R. & Nav.Co.con. g 4's.1946	21,482,000	J & D	102⅞	Feb. 28,'05	103¼	102⅞	29,000
Oreg. Short Line Ry. 1st g. 6's.1922	14,931,000	F & A	125	Feb. 27,'05	126	124⅛	36,000
" 1st con. g. 5's.1946..........	12,328,000	J & J	119¼	Feb. 28,'05	119¼	118⅛	102,000
Utah & Northern 1st 7's........1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
" g. 5's 1926	1,812,000	J & J	114⅛	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's..2003	2,000,000	J & J	109	Feb. 8,'05	109	109	1,000
Wabash R.R. Co., 1st gold 5's....1939	33,011,000	M & N	118¾	Feb. 27,'05	119⅛	118⅛	102,000
" 2d mortgage gold 5's...1939	14,000,000	F & A	109⅛	Feb. 25,'05	110¼	109⅛	54,000
" deben. mtg series A...1939	3,500,000	J & J	90	Feb. 4,'05	90	90	1,000
" series B.................1939	26,500,000	J & J	70¼	Feb. 28,'05	71¾	68	3,897,000
" first lien eqpt. fd.g. 5's.1921	2,755,000	M & S	102	Jan. 13,'04	....	....	....
" 1st lien 50 yr.g.term 4's.1954	1,715,000	J & J	....		....	....	....
" 1st g.5's Det.& Chi.ex..1940	3,349,000	J & J	110	Jan. 11,'05	....	....	....
" Des Moines div.1st g.4s.1939	1,600,000	J & J	97	Nov.16,'04	....	....	....
" Omaha div. 1st g. 3½s..1941	3,173,000	A & O	88	Feb. 24,'05	88	88	4,000
" Tol. &Chic.div.1st g.4's.1941	3,000,000	M & S	97⅛	Jan. 23,'05	....	....	....
St.L.,K.C.& N.St.Chas. B. 1st6's1908	463,000	A & O	109⅛	Mar. 13,'03	....	....	....
Wabash Pitts Term'l Ry 1st g.4's.1954	25,000,000	J & D	95¼	Feb. 28,'05	95¾	95⅛	113,000
" 2d g. 4's.....................1954	20,000,000	J & D	45⅛	Feb. 28,'05	45⅞	42¾	2,999,000
Western Maryland 1st 4's... 1952	29,367,000	A & O	92	Feb. 28,'05	93⅛	91¾	1,222,000
Western N.Y. & Penn. 1st g. 5's..1937	9,990,000	J & J	118⅛	Feb. 24,'05	118⅛	118	7,000
" gen g. 3-4's..............1943	9,789,000	A & O	98¾	Feb. 9,'05	98¾	98¾	1,000
" inc. 5's...................1943	10,000,000	Nov.	40	Mar.21,'01	....	....	....
West Va.Cent'l & Pitts.1st g. 6's.1911	3,250,000	J & J	111	Feb. 3,'05	111	111	5,000
Wheeling & Lake Erie 1st g. 5's.1926	2,000,000	A & O	114¼	Jan. 28,'05	....	....	....
" Wheeling div. 1st g. 5's.1928	894,000	J & J	110¼	May 17,'04	....	....	....
" exten. and imp. g. 5's...1930	343,000	F & A	114	Feb. 20,'05	114	113	37,000
" 20 year eqptmt s.f.g.5's.1922	2,152,000	J & J	102	Jan. 3,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's..1949	11,618,000	M & S	95	Feb. 28,'05	95	94¾	201,000
Wisconsin Cen. R'y 1st gen. g. 4s.1949	23,743,000	J & J	94¼	Feb. 28,'05	94⅛	93¾	876,000
Mil. & L. Winnebago 1st 6's.....1912	1,430,000	J & J	....		....	....	....
Street Railway Bonds.							
Brooklyn Rapid Transit g. 5's...1945	6,625,000	A & O	112⅛	Feb. 28,'05	112⅛	110	70,000
" 1st ref. conv. g. 4's....2002	15,250,000	J & J	86¼	Feb. 28,'05	86⅞	81¼	2,245,000
" " registered........		J & J	....		....	....	....
" City R. R. 1st c. 5's 1916.1941	4,373,000	J & J	109⅛	Nov. 18,'04	....	....	....
" Qu. Co. & S. c. gd. g. 5's.1941	2,255,000	M & N	106	Feb. 9,'05	106	106	2,000
" Union Elev. 1st. g. 4-5s.1950	16,000,000	F & A	111	Feb. 27,'05	111⅝	110¼	38,000
" stamped guaranteed......		......	100¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's.1949	7,000,000	F & A	93⅛	Jan. 20,'05	....	....	....
" stamped guaranteed		......	93⅞	Feb. 27,'05	95	92¾	203,000
Nassau Electric R. R. gtd. g. 4's.1951	10,474,000	J & J	89	Feb. 27,'05	90⅛	89	49,000
City & Sub. R'y, Balt. 1st g. 5's...1922	2,430,000	J & D	105⅜	Apr. 17,'95	....	....	....
Conn.Ry.& Lightg 1st&rfg.g4½'s.1951	10,918,000	J & J	99⅛	Feb. 27,'05	99⅛	99⅛	1,000
" stamped guaranteed........		......	....		....	....	....
Denver Con. T'way Co. 1st g. 5's.1933	730,000	A & O	97⅛	June13,19'	....	....	....
Denver T'way Co. con. g. 6's....1910	1,219,000	J & J	....		....	....	....
Metropol'n Ry Co. 1st g. g. 6's.1911	918,000	J & J	....		....	....	....
Detroit Cit'ens St. Ry. 1st con.g.5's.1905	5,485,000	J & J	103	Nov.23,'01	....	....	....
Grand Rapids Ry 1st g. 5's........1916	2,750,000	J & D	....		....	....	....
Louisville Railw'y Co. 1st c. g. 5's. 1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's. 1913	3,000,000	J & J	....		....	....	....
Metro. St. Ry N.Y.g. col. tr.g. 5's.1997	12,500,000	F & A	116	Feb. 21,'05	116⅛	116	32,000
" refunding 4's..........2002	15,134,000	A & O	93	Feb. 28,'05	94¼	93	123,000
B'way & 7th ave. 1st con. g. 5's. 1943	7,650,000	J & D	118	Feb. 23,'05	118	118	12,000
" registered		J & D	119⅛	Dec. 3,19'	....	....	....

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NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	FEBRUARY SALES. High.	FEBRUARY SALES. Low.	FEBRUARY SALES. Total.
Columb.& 9th ave.1st gtd g 5's, 1993	3,000,000	M & S	121¾	Feb. 20,'05	121¾	121¾	3,000
" registered..................	3,000,000	M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	120½	Feb. 14,'05	120½	120½	5,000
" registered..................		M & S	....	....	....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	36,943,000	J & J	96⅛	Feb. 28,'05	96½	95	373,000
" registered..................		J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	118¼	Feb. 27,'05	118⅛	118¼	4,000
Met. West Side Elev.Chic.1st g.4's.1938	9,808,000	F & A	95	Feb. 1,'05	95	95	1,000
" registered..................		F & A	....	....	....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's..................1919	4,050,000	J & J	106	Nov. 22,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1st g.5's.1937	3,763,000	M & N	....	....	....	....	....
St. Paul City Ry. Cable con.g.5's.1937	2,480,000	J&J15	110	July, 8'04	....	....	....
" gtd. gold 5's 1937	1,138,000	J & J	112	Nov.28,'99	....	....	....
Undergr'd Elec.Rys.of London Ltd.		J & D	99⅛	Feb. 28,'05	99⅛	99	495,500
5% profit sharing notes 1908 series A		J & D	....	....	....	....	....
" series B	16,550,000	J & D	....	....	....	....	....
" series C		J & D	....	....	....	....	....
" series D		J & D	....	....	....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	109½	Dec. 14,'99	....	....	....
United Railways of St.L.1st g.4's.1934	28,292,000	J & J	88¾	Feb. 25,'05	88¾	86	150,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	89	Feb. 28,'05	90	88	440,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	FEBRUARY SALES. High.	FEBRUARY SALES. Low.	FEBRUARY SALES. Total.
Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	105¼	Feb. 28,'05	105¼	104	49,500
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.Ferry Co.of N.Y.1st c.g.5's.1948	6,500,000	F & A	57½	Feb. 28,'05	57½	56	11,000
Chic.Junc.& St'k Y'ds col. g. 5's.1915	10,000,000	J & J	107¾	Nov. 4,'03	....	...	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,655,000	A & O	78	Feb. 27,'05	80	78	3,000
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	95	Feb. 8,'05	95	94½	12,000
" registered..................		F & A	....	....	....	....	....
Provident L. Soc. of N.Y. g. 4's..1921	1,000,000	M & S	100	Feb. 27,'05	100	99½	5,000
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....	....	....	....	....
St. Louis Terml. Cupples Station. & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113½	Dec. 18,19'	....	....	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series E 4's..............1907-1917	1,000,000	J & D	....	....	....	....	....
" F 4's..............1908-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's..............1903-1918	1,000,000	F & A	....	....	....	....	....
" H 4's..............1903-1918	1,000,000	M & N	....	....	....	....	....
" I 4's..............1904-1919	1,000,000	F & A	....	....	....	....	....
" J 4's..............1904-1919	1,000,000	M & N	....	....	....	....	....
" K 4's..............1905-1920	1,000,000	J & J	....	....	....	....	....
Small bonds..............	....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	100¾	Feb. 27,'05	100¾	100¾	4,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	100⅛	Feb. 28,'05	100½	99¼	135,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	96	Feb. 23,'05	96¾	96	13,000
Am.Thread Co.,1st coll.trust 4's.1919	6,000,000	J & J	88¾	Feb. 28,'05	88⅞	88¾	4,000
Am. Tobacco Co. 40 yrs g, 6's....1944	51,210,000	A & O	115¼	Feb. 28,'05	117½	113⅞	2,975,000
" registered..................		A & O	116	Feb. 24,'05	116¾	115	52,000
" g. 4's..................1951	72,757,000	F & A	73¾	Feb. 28,'05	77⅞	73⅛	9,977,000
" " registered..........		F & A	73¼	Jan. 24,'05	....	....	....
Barney & Smith Car Co. 1st g.6's.1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Consol. Tobacco Co. 50 year g. 4's.1951	157,378,200	F & A	81	Feb. 28,'05	83	80	546,000
" registered..................		F & A	85¼	Dec. 3,'04	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,609,000	A & O	79	Feb. 28,'05	80	79	893,000
Dis. Co. of Am. coll. trust g 5's..1911	2,530,000	J & J	99	Sept.16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l Paper Co. 1st con.g 6's.1918	9,724,000	F & A	109	Feb. 28,'05	109	108	41,000
Int. Steam Pump 10 year deb. 6's.1913	2,500,000	J & J	104½	Feb. 28,'05	104½	104⅜	69,000

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MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	FEBRUARY SALES. *High.*	FEBRUARY SALES. *Low.*	FEBRUARY SALES. *Total.*
Knick'r'ker IceCo.(Chic) 1st g 5's.	1926	1,937,000	A & O	98	Feb. 3,'05	98	98	3,000
Lack. Steel Co., 1st con. g. 5's....	1923	15,000,000	A & O	106⅞	Feb. 28,'05	108	107⅛	272,000
Nat. Starch Mfg. Co., 1st g 6's...	1920	2,851,000	J & J	91⅛	Feb. 21,'05	92	91⅛	15,000
Nat. Starch. Co's fd. deb. g. 5's..	1925	4,137,000	J & J	70	Feb. 17,'05	70	70	10,000
Standard Rope & Twine 1st g. 6's.	1946	2,740,000	F & A	49⅛	Feb. 27,'05	49⅞	42⅛	290,000
Standard Rope&Twine inc.g.5s..	1946	6,806,000	......	2⅞	Feb. 28,'05	3	1⅛	168,000
United Fruit Co., con. 5's........	1911	2,446,000	M & S	....		....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's...	1918	1,624,000	J & J	....		....	....	....
U. S. Leather Co. 6% g s. fd deb..	1915	5,280,000	M & N	112	Feb. 23,'05	112	112	5,000
U. S. Reduction & Refin. Co. 6's..	1931	....	......	84	Feb. 28,'05	84	83½	29,000
U.S. Realty & Imp.con.deb.g.5's.	1924	13,284,000	......	103½	Feb. 27,'05	103½	95	1,042,000
U.S. Shipbldg.1st & fd g.5'sSer.A.	1932	14,500,000	J & J	28	Feb. 5,'04	....	....	....
" collat. and mge. 5's..	1932	10,000,000	F & A	91	Jan. 15,'03	....	....	....
U.S.SteelCorp.10-60yr.g.sk.fd5's	1963	....	M & N	94¼	Feb. 28,'05	95⅛	93½	10 602 000
" " " reg.	1963	170,000,000	M & N	94⅝	Feb. 24,'05	95⅝	93⅞	47,000
Va.Carol Chem. col.tr.s.fd.g.5's..	1912	6,500,000	A & O	....		....	....	....
BONDS OF COAL AND IRON COS.								
Col. Fuel & Iron Co. g. s.fd.g 5's..	1943	5,355,000	F & A	103¼	Feb. 16,'05	103¼	102	38,000
" conv. deb. g. 5's	1911	1,710,000	F & A	90	Feb. 25,'06	90	86	19,000
" " registered............			F & A	....		....	....	....
" " Trust Co. certfs......		12,358,000	......	89	Feb. 27,'05	89½	84¾	964,000
Col. C'l & I'n Dev.Co. gtd g.5's..	1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off...............		....	......	....		....	....	....
Colo. Fuel Co. gen. g. 6's.......	1919	640,000	M & N	107½	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.	1919	949,000	A & O	102½	July 26,'02	....	....	....
Continental Coal 1st s. f. gtd. 5's..	1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's	1926	1,588,000	J & D	105½	Oct. 10,'98	....	....	....
" 2d g. 5's..................	1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal&Coke 1st g.5's	1951	3,000,000	J & J	105	Oct. 24,19'	....	....	....
Pleasant Valley Coal 1st g. s.f.5s.	1928	1,146,000	J & J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts.Cl&Ir.Co.pur my5's.	1946	1,064,000	M & N	....		....	....	....
Sun. Creek Coal 1st sk. fund 6's..	1912	835,000	J & D	....		....	....	....
Tenn. Coal, Iron & R.R. gen. 5's..	1951	3,526,000	J & J	99⅞	Feb. 23,'05	100	98⅛	170,000
" Tenn. div. 1st g. 6's......	1917	1,160,000	A & O	111	Jan. 12,'05	....	....	....
" Birmingh. div. 1st con.6's	1917	3,603,000	J & J	112	Feb. 27,'05	112	110¾	16,000
Cahaba Coal M. Co., 1st gtd.g.6's	1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&ICo.gtd.g.6's	1910	2,716,500	F & A	103	Feb. 7,'05	103	103	5,000
Utah Fuel Co. 1st s. f. g. 5's......	1931	853,000	M & S	....		....	....	....
Va. Iron, Coal & Coke, 1st g. 5's...	1949	6,412,000	M & S	93	Feb. 28,'05	93½	92	178,000
GAS & ELECTRIC LIGHT CO. BONDS.								
Atlanta Gas Light Co. 1st g. 5's..	1947	1,150,000	J & D	....		....	....	....
B'klyn Union GasCo. 1st con g. 5's.	1945	14,498,000	M & N	116¾	Feb. 25,'05	116⅞	116½	18,000
Buffalo Gas Co. 1st g. 5's.........	1947	5,900,000	A & O	73	Feb. 23,'05	73	73	20,000
Columbus Gas Co., 1st g. 5's......	1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
ConsolidatedGasCo.,con.deb.6's..	1909	19,785,000	J & J	185¼	Feb. 28,'05	185¼	178	778,000
Detroit City Gas Co. g. 5's.......	1923	5,608,000	J & J	102½	Feb. 27,'05	102½	100½	14,000
Detroit Gas Co. 1st con.g.5's.....	1918	381,000	F & A	105	June 2,'03	....	....	....
Eq. G. L. Co. of N.Y. 1st con.g.5's.	1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec. of Bergen Co, c.g.5s.	1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s	1942	2,049,400	F & A	90⅛	Feb. 2,'05	90⅛	90⅛	18,000
Grand Rapids G. L. Co. 1st g.5's.	1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's....	1949	10,290,000	M & N	109½	Feb. 10,'05	109½	109½	3,000
Kansas City Mo. Gas Co. 1st g 5's.	1922	3,750,000	A & O	100	Oct. 18,'04	....	....	....
Kings Co. Elec. L.&Power g. 5's..	1937	2,500,000	A & O	....		....	....	....
" purchase money 6's....	1997	5,010,000	J & J	128½	Feb. 16,'05	127	126½	12,000
Edison El.Ill.Bkln 1st con.g.4's.	1939	4,275,000	J & J	96¼	Oct. 7,'04	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.	1919	10,000,000	Q F	108½	Feb. 27,'05	109½	108½	97,000
" small bonds................								
" refdg. & exten 1st g.5s.	1934	5,000,000	A & O	106½	Jan. 27,'05	....	....	....
Milwaukee Gas Light Co. 1st 4's..	1927	7,000,000	M & N	92¼	Jan. 31,'05	....	....	....
Newark Cons. Gas, con. g. 5's....	1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y.GasEL.H&PCo 1st col tr g 5's.	1948	15,000,000	J & D	111	Feb. 27,'05	111¼	110	40,000
" registered................			J & D	110¼	Dec. 30,'04	....	....	....
" purchase mny col tr g 4's.	1949	20,927,000	F & A	95	Feb. 28,'05	96	94¾	168,000
Edison El. Illu. 1st conv. g. 5's.	1910	4,312,000	M & S	105¾	Feb. 14,'05	105¾	105¾	1,000
" 1st con. g. 5's............	1995	2,156,000	J & J	120½	June 27,'04	....	....	....
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's	1930	2,272,000	F & A	105	Feb. 8,'05	105	105	1,000
N.Y.& RichmondGasCo.1st g. 5's.	1921	1,000,000	M & N	100	Mar. 15,'04	....	....	....
Paterson&Pas. G.&E. con.g.5's..	1949	3,317,000	M & S	....		....	....	....
Peo. Gas & C. C. 1st con. g 6's...	1943	4,900,000	A & O	127⅛	Feb. 15,'05	127⅛	127⅛	6,000
" refunding g. 5's........	1947	2,500,000	M & S	106¾	Dec. 28,'04	....	....	....
" refuding registered....			M & S	....		....	....	....

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MISCELLANEOUS BONDS—*Continued.*

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{ Chic.Gas Lt&Coke 1st gtd g.5's.1937	10,000,000	J & J	110	Feb. 18,'05	110	108⅛	24,000
Con. Gas Co.Chic. 1st gtd.g.5's.1936	4,346,000	J & D	108¼	Feb. 28,'05	109	108¼	8,000
Eq.Gas&Fuel,Chic.1stgtd.g.6's.1905	2,000,000	J & J	100½	Jan. 11,'05	....	....	....
MutualFuelGasCo.1stgtd.g.5's.1947	5,000,000	M & N	107¼	Feb. 20,'05	107¼	106	40,000
" registered..................	....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g. 5's..1951	2,000,000	J & D	...	....	....	....	....
Trenton Gas & Electric 1st g.5's.1949	1,500,000	M & S	112¼	Jan. 27,'05	....	....	....
Utica Elec. L. & P. 1st s. f'd g.5's.1950	1,000,000	J & J	...	....	...	....	....
Westchester Lighting Co. g. 5's.1950	5,350,000	J & D	113	Jan. 31,'05	....	....	....
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	83,000,000	J & J	94	June30,'04	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	} 10,596,700	Q & J	92	Dec. 17,'04	....	....	....
" registered..................		Q & J	100½	Oct. 8,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	} 1,823,000	M & N	109¾	June22,'04	....	....	....
" registered..................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	111¼	Feb. 16,'05	111⅛	111	4,000
{ " fundg & real estate g.4½'s.1950	17,000,000	M & N	106¼	Feb. 23,'05	106⅜	105¾	196,000
{ Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	107	June20,'04	....	...	....
{ Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	108	July26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME Principal Due.	Amount.	Int'st Paid.	YEAR 1905. High.	YEAR 1905. Low.	FEBRUARY SALES. High.	FEBRUARY SALES. Low.	FEBRUARY SALES. Total.
United States con. 2's registered...1930	} 542,909,950	Q J	....	....	....	....	......
" con. 2's coupon............1930		Q J	....	....	....	....	......
" con. 2's reg. small bonds..1930		Q J	....	....	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered...........1908-18	} 77,135,300	Q F	104⅛	103⅞	104⅛	104⅛	7,000
" 3's coupon..............1908-18		Q F	105⅛	104	104	104	6,000
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908-18		Q F	....	....	....	....	......
" 4's registered..............1907	} 156,591,500	J A J&O	105⅛	104⅛	104⅛	104⅛	3,500
" 4's coupon...................1907		J A J&O	105⅞	105⅛	....	....	......
" 4's registered..............1925	} 118,489,900	Q F	....	....	....	....	......
" 4's coupon..................1925		Q F	....	....	....	....	......
District of Columbia 3-65's...........1924	} 14,224,100	F & A	....	....	....	....	......
" small bonds.....................		F & A	....	....	....	....	......
" registered.......................		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914-34	7,000,000	Q F	109⅛	109⅛	....	....	......
STATE SECURITIES.							
Alabama Class A 4 and 5..............1906	6,859,000	J & J	101⅛	101⅛	....	....	......
" " small............	....	....	....	....	....	....	......
" Class B 5's...................1906	575,000	J & J	....	....	....	....	......
" Class C 4's...................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's................1914	} 10,752,800	J & J	....	....	....	....	......
" " small bonds..........							
North Carolina con. 4's...............1910	} 3,397,350	J & J	....	....	....	....	......
" small.......................		J & J	....	....	....	....	......
" 6's.........................1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds......1866-1900	} 556,500	J & J	....	....	....	....	......
" " 1868-1898		A & O	....	....	....	....	......
" new bonds.............1892-1898	} 624,000	J & J	....	....	....	....	......
" "		A & O	....	....	....	....	......
" Chatham R. R.................	1,200,000	A & O	....	....	....	....	......
" special tax Class 1..............	....	A & O	....	....	....	....	......
" " Class 2...............	....	A & O	....	....	....	....	......
" " to Western N. C. R....	....	A & O	....	....	....	....	......
" " Western R. R.........	....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R........	....	A & O	....	....	....	....	......
" " Western & Tar. R......	....	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

Name.	Principal Due.	Amount.	Int'st paid.	Year 1905. High.	Year 1905. Low.	February Sales. High.	February Sales. Low.	February Sales. Total.
South Carolina 4½'s 20-40	1933	4,892,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's	1913	13,122,000	J & J	96¼	96¼	....	....	......
" registered		6,079,000	J & J	....	....	....	....	......
" small bond		362,200	J & J	95	95	....	....	......
" redemption 4's	1907	469,000	A & O	....	....	....	....	......
" 4½s	1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of	1991	18,054,809	J & J	97⅛	97⅛	....	....	......
" registered			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		3,974,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871		10,416,565	....	19⅞	18	14	13	30,000
Foreign Government Securities.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1	1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan.	1911	£10,000,000	A & O	102	94½	102	98⅝	3,461,000
Imperial Russian Gov. State 4% Rente		2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000.000	M & N	....	....	....	....	......
Republic of Cuba g. 5's extern debt.	1904	35,000,000	M & S	108	103¼	108	106⅝	520,000
" registered			M & S	....	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200		£21,988,200	......	100¾	100	100¾	100⅛	72,500
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	...	....	......

BOOK NOTICE.

The National Bank Act With All Its Amendments Annotated and Explained. By John M. Gould. 8vo. Buckram. $3.00 net.

In this work, the provisions of the National Bank Act of 1864 (Title 62 of the Revised Statutes) are fully reviewed, the amendments being inserted in their proper places, and the whole being annotated with all the decisions of the Courts, both Federal and State, to September, 1904, explaining or modifying the various provisions.

While the extensive and rapidly increasing business that has been carried on for forty years under this Act has in the main been developed with little friction or confusion, yet the numerous amendments made by Congress—some as late as 1903—and the numerous important and interesting decisions still appearing in the reports, show that the subject even to-day is open to many doubts and possibilities of controversy, especially upon such points as forfeitures for charges of usurious interest, power to take and hold real estate, and mortgages thereof, as security for old or new loans, proper limitations to powers of directors, Presidents and Cashiers, ultra vires, and the like.

Where there is any conflict of the decisions they are carefully compared, that it may be shown whither the weight of authority now tends, and altogether this work will be found of the greatest practical service to the legal profession and also to National bank officers.

BANKERS' OBITUARY RECORD.

Bradford.—Geo. H. Bradford, for many years Cashier of the Stock Yards Bank, at the National Stock Yards, in East St. Louis, Ill., died February 26. He was born in Sheffield, Mass., about fifty-eight years ago, and graduated from Williams College in the class of 1866. In 1874 he located in St. Louis, becoming associated with a private banking firm. In the spring of 1888 the Stock Yards Bank was organized, and Mr. Bradford became Cashier.

Brownell.—Edwin F. Brownell, Cashier of the Keokuk (Iowa) National Bank, died February 8, aged sixty-five years.

Church.—Jonas M. Church, Cashier of La Grande (Ore.) National Bank, died February 5. He was born in the East in 1830, but had resided on the Pacific Coast for many years. In 1860 he went to Oregon from California.

Dyar.—Emerson D. Dyar, President of the Merchants' Bank, Winona, Minn., and interested in other banks, insurance companies, etc., died February 21. He was born in Maine in 1844, and went to the West when a young man.

Garth.—Claude L. Garth, President of the Bank of Georgetown, Ky., died February 3, aged about sixty years. He was one of the wealthiest citizens of Scott County, and had contributed liberally to educational and other worthy enterprises.

House.—John H. B. House, a member of the banking firm of T. W. House & Co., Houston, Texas, died February 21, aged fifty-seven years.

Hughes.—James H. Hughes, President of the Citizens' Bank, Paris, Ky., and for many years clerk of the Bourbon County Court, died February 23, aged eighty-two years.

Jewell.—Ditmas Jewell, President of the Twenty-sixth Ward Bank, Brooklyn, N. Y., died March 4. Mr. Jewell was born at Fishkill, N. Y., eighty-three years ago. His early life was passed on a farm, and later he learned the carpenter's trade. In 1857 he went into the flour business, and the business still exists, though the name of the firm has been changed. In 1889 Mr. Jewell established the Twenty-sixth Ward Bank in Brooklyn. He was also a trustee of the Nassau Trust Co., of Brooklyn.

Lee.—James Lee, Vice-President of the First National Bank, Memphis, Tenn., died February 12.

Lighthipe.—Charles A. Lighthipe, one of the founders of the city of Orange, N. J., and twice a member of the New Jersey Legislature, died February 14. He was elected President of the Orange Bank in 1862, and served in that capacity for twenty-three years. Mr. Lighthipe was also largely interested in insurance, railroads and other business enterprises. He was born at Orange in 1824.

Maybry.—Lowell B. Maybry, President of the Hopkinton (Mass.) Savings Bank, died February 18, aged eighty-four years.

Parker.—William Henry Parker, of Abbeville, S. C., died February 7. Mr. Parker was of distinguished ancestry and was himself prominent in political and business life. From the organization of the Farmers' Bank, of Abbeville until recently, he was President of the bank; was Mayor of Abbeville, and served four successive terms in the State Legislature, beginning in 1880. He was again elected to the Legislature in 1886, and declined re-election at the end of this term. He was about eighty years of age at the time of his death.

Potter.—Charles H. Potter, Cashier of the First National Bank, Bath, Me., and the youngest National bank Cashier in Maine, died February 28, aged twenty-seven years. He graduated from Bowdoin College in 1900, and after teaching for two years was chosen Cashier of the First National Bank, of Bath.

Pretlow.—Hon. John D. Pretlow, President of the Merchants and Farmers' Bank, Franklin, Va., died February 4, aged seventy-two years. He was formerly a member of the Virginia Assembly.

Smith.—Geo. W. Smith, President of the National Bank of White River Junction, Vt., died February 23, aged sixty-two years.

Sweet.—Martin L. Sweet, former banker, prominent business man and Mayor of Grand Rapids, Mich., died February 21 at his home on the eighty-sixth anniversary of his birth. Mr. Sweet, who was prominent in the milling and elevator business of Michigan, built the Sweet Hotel, founded the bank now known as the Old National and at one time had large lumber interests.

Winslow.—Edward Winslow, head of the banking firm of Winslow, Lanier & Co., New York city, died in Cairo, Egypt, recently.

THE

BANKERS' MAGAZINE

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-NINTH YEAR. APRIL, 1905. VOLUME LXX, No. 4.

THE GROWTH OF LIFE INSURANCE in the United States furnishes an impressive illustration of the advancement of the people in material prosperity. The assets of life insurance companies doing business in this country increased from $387,281,896 in 1874 to $2,226,423,202 in 1903. This remarkable gain is due to several factors: First, the growth of savings naturally required an outlet for safe investment; second, the companies have put forth tremendous efforts to secure new business, some of the larger ones having engaged in such fierce rivalry for big totals that they are sometimes styled "racers"; third, a considerable part of the growth of the insurance companies is due to the wisdom with which the large funds intrusted to the companies have been managed. There is a great deal of criticism of the management of life insurance companies at the present time; but the figures given above would seem to indicate that investors have confidence in the integrity and skill of the management, otherwise the companies would not have grown as they have. Of course, mere size is not the proper criterion to apply in judging a life insurance company. Maximum insurance at minimum cost is what is sought by the careful purchaser of life insurance. Perhaps it ought to be true that the cost of insurance decreases as the assets of the company grow, but this principle does not hold good where the cost of getting business has been too great or where the risks have been less carefully guarded in order to make a big showing. It would seem that some of the companies have laid themselves open to criticism in this respect.

It is charged, also, that the managers of life insurance companies seek to advance their personal prestige by accumulating vast funds for use in the money market, and that they are not above profiting, indirectly at least, by distributing these huge sums among favored banks and trust companies.

Theoretically, such funds are held in trust, and ought not to be used in trade or speculation. But there must be times when the sums daily

flowing into the coffers of these companies can not be invested as rapidly as received, and it is not apparent that sound business considerations require that they shall lie idle until the opportunity for proper investment can be found. Adequate security and a fair rate of interest are all that can be demanded. There does not seem to be much evidence going to show that the funds of the life insurance companies are being used in speculation or in unsound investments. Whether the management of some of the companies is as prudent as it should be, is another question.

The coöperation between the insurance companies on the one hand and the banks and trust companies on the other is probably of mutual advantage. By availing themselves of the services of the financial institutions the companies have opened to them all the avenues of safe and profitable investment, while the banks derive some compensation from handling the funds.

But the magnitude of the life insurance business, and the fact that it is practically controlled by a few men at the great financial centres, has made the business the target for hostile and virulent assaults. State Legislatures, like death, seem to love a shining mark. Most of the laws passed have aimed to secure a better regulation of the insurance business, and a few have been effectual in that direction; but the requirements imposed by State legislation are so diversified that many of the companies would welcome uniform Federal regulation, not perhaps because they are anxious to have their business controlled by Congress, but because such regulation would afford a means of escape from the uncertainties of State supervision.

Some of the insurance companies seem to have attached too little importance to the attacks made upon them. They appear to consider it undignified to seek to counteract these attacks. Such a policy is not far-sighted, and overlooks the fact that even irresponsible persons may greatly injure the reputation of a prosperous and solvent corporation. Banks and insurance companies can not be too careful to keep their management above suspicion, and also to disarm those who attempt to arouse the prejudices and hostilities of the public. In these days the man who endeavors to stir up antagonisms against concentrated wealth finds many willing ears. People appear to forget that by joining in these assaults on capital they are, in many instances, fighting against their own interests.

The prejudice against banks, which was so assiduously cultivated by politicians a few years ago, has almost entirely disappeared. This result may be ascribed to the campaign of education carried on by the banks, through their State bankers' associations and other channels. What was accomplished in this respect illustrates the effectiveness of a strong appeal to the popular intelligence of the country.

THE USE OF BANKS by the general public is undoubtedly increasing, although there is still a wide field which financial institutions may cultivate with prospects of substantial returns. This is illustrated by an incident recently reported by a St. Louis newspaper. A Kentucky merchant went to that city, carrying with him $6,100 in cash with which to pay some bills he owed to wholesale dealers. Shortly after arriving in St. Louis the Kentuckian lost his money.

Similar occurrences are frequently reported in all parts of the country, showing that there are still many people who either do not know of the facilities offered by banks for taking care of money and transferring it from place to place without risk and with but a trifling cost, or who are afraid to trust their funds to other hands. In this case the country merchant had been saving up for a long time to get sufficient means to pay off his creditors in the city, and it is not unlikely that he kept these savings in his own personal custody, thus losing the interest they might have earned, besides depriving the money market of the use of so much money, and again the bank lost the profit incidental to lending the money. Even if the principal had not been lost, as in this instance, the waste would have been considerable, and when account is taken of the vast sums that in the aggregate are kept out of the banks in one way and another, and the total of the losses thus caused, it will be seen that the opportunity for a more thorough cultivation of the banking field has not been destroyed by the multiplication of new banks.

Investigations have been made to show what proportion of the business of the country is carried on by means of cash and how much through the instrumentality of bank checks. Mr. ECKELS, when Comptroller of the Currency, in 1896, found from replies received from 5,530 banks that at least eighty per cent. of the business of the country is carried on by means of checks, drafts and other credit instruments. Apparently 92.5 per cent. of the business is so conducted, but certain factors were eliminated and eighty per cent. was adopted as representing a safe minimum.

Now, it might appear at first sight that twenty per cent. is not a large proportion for cash transactions; but nevertheless one-fifth of the annual business of the country stands for a very large sum. Without attempting to analyze the question in all its bearings, or to show whether the use of credit instruments is smaller than it should be, all things considered, it may be safely predicated that there is still an ample margin of business that the banks ought to get.

There is undoubtedly a large stock of money in the country outside the banks. In the Comptroller's Report for 1904 tables are given showing that there is $1,536,300,000 of money in the country, outside the Treasury and the banks. This is equal to 54.8 per cent. of the total stock

of money in the country, or $18.77 per capita. It is probable that the amount in the banks is somewhat greater than stated, for the data must be more or less incomplete, except for the National banks. But accepting the figures as they are, it seems rather surprising that so enlightened a country as this should only keep one-half its stock of money in the banks; actually, if we exclude the money in the Treasury, the percentage in the banks alone falls to 35.06. The money is not needed for business purposes, since we have seen that cash figures in only twenty per cent. of business operations.

As has been said, a thorough examination of these figures might not confirm the impressions given at first sight; but the conclusion is warranted that the banks have failed to get into their vaults as much money as should be there. What is the cause of this? If it is because of blind, unreasoning fear of banks, the remedy is education; if the distrust is even partially justified, it is to the interest of the banks that the distrust be removed. It may be that the banks have been backward in proclaiming their own advantages to the public—an explanation that seems the most tenable. Bank advertising is just beginning to receive that intelligent attention it deserves. It is hardly conceivable that the Kentucky merchant, if he had known that it was possible to procure a draft for almost nothing, would have carried so large a sum of money from his home to St. Louis, only to lose it at last.

Money—except that small part of it actually needed in daily business—is performing its most effective service when in the custody of the banks. Not only is this so with reference to the profits made by the banks, but it is even more true from the standpoint of public advantage.

THE POWER OF MONEY is generally recognized. Despite much opinion to the contrary, the uses to which money is put are, as a rule, beneficent; but there is no doubt that it is frequently employed for evil purposes.

An interesting question—though by no means a new one—relating to the use of money has been raised by a protest of certain Boston clergymen against accepting a gift of $100,000 from JOHN D. ROCKEFELLER to carry on foreign missionary work. It was held by the protesting clergymen that owing to the charges against the Standard Oil Company the gift could not be accepted, since its acceptance would imply honor toward the donor and a winking at "the moral issues involved."

The protests of the reverend gentlemen, however, did not prevent the larger committee of which they were members from assisting in relieving Mr. ROCKEFELLER of some of his surplus wealth.

Of course, if Mr. ROCKEFELLER, or rather the Standard Oil Company, is guilty of the charges made against it, and if by accepting the

gift the clergymen would have condoned these offences, then they unquestionably did right in making objections to a contribution from this source.

But much might be said on the other side, provided of course that the acceptance of the contribution implied no compromise with evil-doers. It may well be believed that the money which the gambler contributes to charitable purposes is as effectual in relieving the material wants of the poor and suffering as is the saintliest coin. Whether this generalization would apply to the realm of spiritual affairs, we do not know. A great deal of missionary work, in these days, consists in educational and philanthropic endeavors, and it would seem that here, at least, even the Standard Oil money would render as good service as any.

Looking at the matter in another light, it is difficult to see why the Boston divines should miss this chance of getting a hundred thousand dollars. They are interested in foreign missionary work; so is Mr. ROCKEFELLER. By giving them this generous sum the latter does not ask them, even by implication, to keep silent about the real or supposed iniquities of the oil octopus. He merely expresses his approval of the zealous labors of the clergymen in question in trying to enlighten the darkened corners of the earth. If Mr. ROCKEFELLER really wanted to silence the enemies of the Standard Oil Company, he is a shrewd enough business man to see that there are more promising ways for spending his money than by contributing to the support of foreign missions.

Many who are in charge of benevolent and religious enterprises take all the money they can get, irrespective of the source whence it comes, acting upon the old adage of not looking a gift horse in the mouth. They doubtless hold that the taking of money from those who violate either moral or statutory law does not necessarily mean that the taker sanctions such violation, or that he thereby incurs an obligation to wink at such violations.

Presumably, those engaged in religious activities are seeking to elevate the characters of men so that they will not yield to the insidious influences of wealth. As money is a necessary and powerful means of carrying on these activities, it is difficult to see why it should not be gladly received, irrespective of the affiliations of the donors. If the theory once be admitted, that men contribute to such work in the expectation of receiving immunity from attack, why limit its application to Mr. ROCKEFELLER? Could the history of every coin on the contribution plate of a Sunday morning be accurately traced, many of them might be found to be stained with transgressions more odious than any ascribed to the oil magnate.

In such matters the saner view appears to be that money has no personal attributes. It is an instrument to be used either for good or bad ends, as may be determined by its possessor. The same coins that

yesterday were used to buy the materials for human slaughter may be employed to-morrow in relieving the wounds they inflicted. Money partakes of none of the qualities of those who for the time being may have it in their possession, remaining impassive either to the influences of good or of evil.

There is no sound reason for believing that the vast sums contributed by millionaires for religious and philanthropic enterprises are given with any view of cultivating a complacent attitude toward monopoly on the part of the public. Universities like Stanford and Chicago become the exponents of truth, whose enlightening influences no grinding monopoly can long resist. It is hardly to be supposed that all the books in Mr. CARNEGIE's numerous libraries are devoted to a defense of industrial monopoly. There must be books dealing with both sides of the subject, thus aiding the student to reach the safe middle ground where lies the truth.

The Boston clergymen who objected to Mr. ROCKEFELLER's gift were no doubt moved by righteous motives; whether they exhibited sound judgment and commendable taste, may be disputed. Their action, however, is highly significant. When men as zealous as foreign missionaries usually are refuse to accept a gift for carrying on their work, it shows that the attacks on the Standard Oil Company are beginning to tell. If these attacks had been confined to generalities, the indifference of the company to them might have been justified. But they have been made with such circumstantial detail that the failure of the Standard Oil Company to make any reply has doubtless led many to conclude that the charges were substantially true, and that the silence of the great corporation was equivalent to a confession of guilt. If the company's position is defensible, its managers appear to have failed to measure correctly the tremendous power of aroused or inflamed public opinion. The result of their lethargy is now becoming apparent.

THE WITHDRAWAL OF PUBLIC DEPOSITS from the banks is reported to be part of a plan whereby the Secretary of the Treasury hopes to impart a certain degree of elasticity to the money supply of the country. By taking the Government funds from the banks now a margin will be left to be filled later on when the demand for cash becomes more active.

It can be said, without reference to who may occupy the position of Secretary of the Treasury, that the power to expand or contract the supply of money is a dangerous one to lodge in the hands of one man or any number of men or in any legislative body. There is but one place where the demand for money can be regulated. Just as the demand for meat will be registered at the butcher-shops, so will the demand for

money be registered at the banks. And the Secretary of the Treasury and Congress have as much right to meddle with the supply of meat as they have with the supply of currency. As the amount of meat sold will be determined by the wants of consumers who are able to pay for it, so should the supply of currency be governed by the requirements of solvent borrowers.

The bank-note circulation of the country is becoming redundant; imports are swelling, and the prices of commodities rule higher than for many years. Our currency system—if such it may be termed—is in need of thorough and intelligent reconstruction. Unfortunately, neither the ability nor the disposition to deal with the problem seems very conspicuous among the Washington statesmen.

THE PUBLIC DEBT falling due within the next two years amounts to $156,591,500. These bonds at present bear a rate of four per cent. In 1908 the Government will also have the privilege of paying $77,135,300 of three per cents., although payment of these issues is not obligatory until 1918. It is probable that the greater part of both issues will be extended, and at a lower rate of interest unless something should arise in the meantime to unfavorably affect the country's credit.

Although for some years past the people of the United States have experienced unprecedented prosperity, this does not appear to have led Congress to make any provision for paying off this debt of over $230,000,000. A spendthrift policy has prevailed, and the estate—which is of course still immensely rich—will be still further encumbered by fresh borrowings to pay off the old debt.

Relative to the total population and wealth of the country, the public debt is not large; but the richness of the country, instead of being an excuse for perpetuating the debt, would seem to make its payment at maturity all the more certain. While the debt is by no means burdensome, the policy of its indefinite extension can not be considered a wise one. Instead of accumulating a surplus to be used in meeting the debt, Congress squanders the money in extravagant expenditures. With proper economy all the debt falling due in 1907 and in 1908 could have been paid without resorting to increased taxation.

It is probable that the requirement of bonds as security for National bank notes and public deposits, as well as for organization purposes, exerts a strong influence in favor of perpetuating the debt. In fact, it may be said that so long as bonds are by law required for these purposes, there will be bonds to supply the requirement, irrespective of the ability of the country to pay off the debt.

The use of the bonds for the purposes named artificially stimulates the credit of the United States; but a better and more economical way

for the country to maintain its credit would be to pay its debts as they mature and to husband the resources of the people by economy in expenditures, leaving abundant sources of revenue untouched and available in emergencies. If the debt had been paid more rapidly Congress would have been less liberal in making appropriations than has been the case in recent years.

THE SOUND CURRENCY publications issued by the Reform Club for some time are discontinued with the number for March. It is announced that the lessened popular interest in currency questions is responsible for the decision to suspend publication. A vast amount of information regarding coin, currency and banking has been published in the quarterly put forth under the name of "Sound Currency," and much has been done in this way to educate public opinion concerning these questions.

While the work to which the Reform Club's Sound Currency Committee was chiefly devoted—the defeat of the movement for the free coinage of silver—was successful, other parts of the committee's programme, such as the retirement of the legal-tender notes and the introduction of an elastic system of bank notes, were not carried to a successful issue. In fact, there has never been any indication that members of Congress (with a few exceptions) had any interest whatever in these subjects. Most of the legislation regarding coinage and currency since the time of HAMILTON and GALLATIN has been passed either under the spur of necessity or politics, and little attention has been paid to expert opinion. If Secretary GAGE had been permitted to do so, he would have formulated a currency and banking law that would have been a great improvement on the present laws. It is easy to rejoin that these matters should be left to Congress; but judging from the past, there is scant evidence that Congress is able to formulate anything but a makeshift currency system—a patchwork of politics, ignorance and compromise. If a battleship is to be built, the details are left to those possessed of the requisite technical skill to turn out an effective fighting-machine. The construction of a sound and workable currency system calls for greater technical knowledge and practical sagacity than the building of a battleship, yet Congress ignores the advice of those whose views ought to be given most weight. It is hardly to be expected that the people of the country will ever take more than a languid interest in the bank currency question. It is rather an uninteresting study to most people, and it is not surprising that the Sound Currency Committee failed to stimulate a popular demand for intelligent legislation. Nevertheless the need of the educational work carried

on by the committee is as great now as ever before. The present currency laws are far from being perfect, and while their defects may be concealed for a time, they are sure to show themselves again and to work mischief.

There may be little possibility of the introduction of an asset currency—though in some parts of the country such a currency would be of undoubted benefit—but other questions are becoming almost equally important. The extravagance of Congress, the Panama Canal scheme, and perhaps other projects that may be brought forward, portend large additions to the public debt, and it is by no means improbable that the issue of Government paper money through the banks—called by courtesy "National bank notes"—may seriously inflate the currency of the country. It is to be regretted that the Sound Currency Committee has abandoned the work of currency reform.

THE JAPANESE LOAN for $150,000,000 was heavily oversubscribed, one-half being taken in London and one-half in New York. Some of the New York subscriptions were apparently received from French and other foreign sources. Possibly also a part of the London offerings for the bonds came from the United States. So closely are the financial interests of the great money centres related to one another, that the surface indications in matters of this kind do not always fully reveal the actual nature of the transactions.

Allowing for the portion of subscriptions that may represent foreign financial houses, the demand for the bonds here represents the growing power of the New York money market. The abundance of funds and the ease in rates also faciliated the placing of the loan.

RENEWED BUSINESS ACTIVITY is indicated by a number of signs. Bank clearings and stock transactions show large gains, while the earnings of railroads and the demand for iron and steel are also on the increase.

The heavier trading on the New York Stock Exchange shows that as usual Wall Street has been the first to see the coming uplift of business, and has marked up securities considerably, in order to be ready to reap the full benefits of the approaching trade revival. An easy money market has also facilitated the process known as discounting the future.

The evidences of the growth of sound business enterprise will be received with satisfaction everywhere; but the outburst of speculation in stocks will no doubt be deplored by many. According to recent expe-

rience, however, the mischievous effects of stock speculation seem to be confined almost entirely to those who follow the game, leaving the general business community undisturbed. But it would not be safe to conclude from this that it will always be so. The foundations of our prosperity were so broad and sound that even the cyclone of speculation could not seriously disturb the commercial structure built thereon. What if the prices of stocks and bonds fell off a few hundred millions, the actual earning power of the property represented by these securities was substantially as it had been, and only the speculators were hurt. Ordinary operations of trade continued as before, and while there were financial flurries at the great monetary centres, there was but little spread of the distrust beyond the points immediately concerned. If it was a panic at all, it was a rich man's panic. The masses of the people were prosperous and had not been involved in the speculative debauch; and the same was true of the majority of the banks. Indeed, it was the sound situation of the banks, large and small, that opposed an effectual check to the spread of the panic. The condition of the banks is still all that could be desired.

While moderate speculation may act as a stimulant to what is generally characterized as legitimate business enterprise, there is undoubted danger in the wild riot of "frenzied finance." That the consequences of 1901 were not overwhelmingly disastrous, is no warrant for a repetition of the financial sky-rocketing of that time. It may be expected that the New York banks will protect their interests by keeping the present speculative outburst within safe limits.

CHINESE BANKERS, or at least some of them, have an advantage over the banks doing business in the United States. It is the custom of banks in parts of China to pay out money only on the first day of certain months. Owing to the peculiar and complex nature of the monetary system, the bankers are also able to protect their reserves by offering a premium on deposits and exacting a discount on withdrawals.

It has been asserted that the banks in the United States that refused to remit at par for their own checks sent for collection were virtually making a charge for paying their own obligations. But this was not strictly correct. A bank is not bound to pay anything but cash over its own counters; it can not be compelled to pay in exchange on some financial centre. Whether it ought to do so is not under discussion. It may be surmised that the Chinese bankers know how to profit by the great disparity of exchange rates prevailing in that country.

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

STATE STATUTES RELATING TO TRUST COMPANIES—*Continued.*

NORTH CAROLINA.

Trust companies are incorporated by special acts of the Legislature, the special charters so given defining their powers and limitations. The "Insurance Act of 1899" provides for the formation of fidelity insurance companies, and confers upon them a number of ordinary trust company powers. Such companies are referred to in the marginal note in the statutes as "bond and trust companies." The purpose for which they may be created is stated thus: "To guarantee the fidelity of persons in positions of trust, private or public, and to act as surety on official bonds, and for the performance of other obligations." They must have ten or more corporators, and the words "insurance company" must form a part of the title. The capital must be at least $50,000, and it must be paid in full in cash within twelve months, but they may commence business with $25,000 paid capital. It may be invested in first mortgages on real estate in the State, in bonds of the United States or of any of those States whose bonds do not sell for less than par, or in bonds or notes of any city, county or town in the State whose net indebtedness does not exceed five per centum of the valuation for taxation.

Powers specified: To do a fidelity insurance business and to act as surety on bonds; to do a title insurance business; to act as guardian, trustee, assignee, receiver, executor or administrator in the State without giving bond; and the proper courts and officers are clothed with authority to appoint these companies to such trusts, whether such companies be residents of the State or not. Such companies must get a license from the Insurance Commissioner, for which domestic companies must pay $25 per annum, and foreign companies $100 per annum. The Commissioner may revoke the license at any time if satisfied that the company is insolvent. Such companies must render an annual statement to the Commissioner.

This act seems to have in mind foreign companies more than domestic, and the original idea of trust companies being a species of insurance companies is noticeable. If trust companies in this State do a banking business, they are subject to the General Banking Act of 1903.

(Acts of 1899, chapter 54, §§ 24 to 50, and § 73; Acts of 1901, chapter 706; Acts of 1903, chapter 275.)

NORTH DAKOTA.

Nine or more persons may incorporate to conduct the business of "an annuity, safe deposit, surety and trust company," to have perpetual succession. Articles of incorporation must be filed, and other preliminaries attended

* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 31.

to as prescribed in chapter 11 of the Civil Code. The capital must be at least $100,000, divided into shares of $100 each. Of this $50,000 must be paid in before commencing business, and the balance must be paid within two years. The $50,000 required to be paid in before commencing business must be invested in bonds of the United States, or of the State of North Dakota, or in the bonds of other States, which have the approval of the State Auditor and State Examiner, or in the bonds or obligations of townships, school districts, cities, villages and counties within the State, which bonds or obligations have not been issued as a bonus for, or purchase of, or subscription to any railroad or other private enterprise, and whose total bonded indebtedness does not exceed five per centum of the then assessed valuation thereof, or in bonds or promissory notes, secured by first mortgages or deeds of trust upon unencumbered real estate in the State worth three times the amount of the obligation so secured. These securities must be assigned, transferred and delivered to the State Auditor, to be held by him as collateral security for the depositors and creditors of said corporation, and for the faithful execution of any trusts it may undertake. The company shall be managed by a board of directors, not less than nine nor more than fifteen in number, a majority of whom shall be citizens of the State, and each of whom must own at least ten shares of stock. The specified powers of such corporations are: To hold real estate necessary for the convenient transaction of its business, and for the use and occupation of its officers, agents and employees, and for the safe keeping of its assets, deposits and property held in trust, and such as is acquired in the satisfaction of debts due to it; but no part of its funds may be invested in real estate except as above authorized, except that trust funds may be so invested if the instrument creating the trust or a particular contract so specifies, and not otherwise; to loan money on mortgage security; to purchase notes, bonds, mortgages and other evidences of indebtedness; to hold in trust any real or personal property by order of court, or from corporations or persons, and to execute any legal trusts with regard to same; to execute trusts for minors and for married women with respect to their separate property, real or personal, and to act as agent for the management of same; to act as fiscal and transfer agent and registrar; to hold on deposit for savings account, or for safe keeping, or in escrow, moneys and securities in the keeping of public or private officials or of persons holding fiduciary appointments, the officers or persons so depositing being relieved from liability for such deposits; companies receiving savings deposits shall be subject to the laws of the State regarding reports and examinations of Savings banks; to act as trustee, assignee, receiver, administrator, executor, guardian of the estate of any minor, lunatic, imbecile, spendthrift, habitual drunkard or other person disqualified to manage an estate; courts are authorized to make such appointments; "to receive deposits of money for general savings account, for safe keeping, or for investment;" "to loan money upon such securities as may be deemed advisable by its board of directors, and to borrow money in like manner upon the security of its own property or credit;" to act as attorney in fact for public or private corporations or persons in the management of real or personal property; to do a title insurance business; to do a fidelity insurance business. Trust funds and property must be kept separate from the property of the company and be readily identifiable. Special directions regarding investments in an instrument creating a trust must be followed.

Trust companies may accept and execute any trust herein authorized, or act as sole surety on bonds, without giving security, other than the deposit with the State. Trust funds of over $100 in amount, not required for the uses of the trust for a year, must be invested in the classes of securities specified for the deposit with the State. Loans may not be made to directors, officers or employees; nor shall such persons become indebted to the company in any way unless authorized in regular form by the directors or investment committee. Such corporations are subject to further orders of courts appointing them to fiduciary offices, and must render statements called for or required by law to such courts. They are subject to the general jurisdiction of the district court of the county. They must render an annual statement as of June 1 to the State Examiner, giving details called for by him, and must publish a condensed statement of such report in a local newspaper. The Public Examiner must examine such companies once every six months, without notice to officers thereof, or oftener if required by written, verified information from a person interested in a trust held by the company. If unsafe conditions are found and persisted in, he shall notify the Attorney-General, who shall institute such proceedings as are called for.

(Revised Code, 1899, chapter 20½, §§ 3258a–3258p; Laws of 1903, chapters 113 and 195.)

OHIO.

Trust companies are organized under the provisions of the general incorporation law. The statutes regulating such companies and defining their powers are found under the general heading "Savings and Loan Associations," and are in need of revision and codification.

The powers specified are: To do a safe deposit business; to collect income or principal of property held for safe keeping; to act as registrar and transfer agent; to act as depository of court funds; to receive and hold money or property in trust or on deposit from fiduciaries, corporations or individuals; to act as trustee under any will or instrument creating a trust for the care and management of property, "under the same circumstances, in the same manner, and subject to the same control by the court having jurisdiction of the same, as in the case of a legally qualified person;" to execute "all such trusts of every description as may be committed to such company by any person or persons, or any corporation, by grant, assignment, devise or bequest, or which may be committed or transferred to, or vested in, such company, whether the same be to act as executor, administrator, assignee, guardian, receiver or trustee, or in any other trust capacity," by order of court, to receive and take any real estate which may be the subject of any such trust, and to act as agent under any power; provided, any such appointment as guardian shall apply to the estate only, and not to the person. (But that part of the statutes which authorizes probate courts to appoint trust companies administrators, etc., was by the Supreme Court of the State, in 1903, declared unconstitutional.)

Trust companies may consolidate with savings and loan associations, the resulting corporation having the combined powers of the two. Trust companies must make not less than two reports each year to the Auditor of State, upon his requisition, showing the condition of the company on any past day specified by the Auditor. These reports must be published in a local newspaper. Moneys or property held in trust, unless by the terms of the trust

another mode of investment is prescribed, together with the capital of the company, shall be loaned on or invested only in the authorized loans of the United States, or of the State of Ohio, or cities, counties or towns of this State, or the stocks or bonds of any State in the Union that has for five years previous regularly paid the interest on its legal bonded debt in lawful money of the United States, or cities, counties or towns of such States, which have so paid the interest on the legal bonded debt of such cities, counties or towns, or stocks of National banks organized within this State, or the first mortgage bonds of any railroad company within the States above named, which has earned and paid regular dividends on its stock for five years next preceding such loan or investment, or first mortgages on real estate within this State, or notes of individuals with a sufficient pledge of any of the aforesaid securities, or may be loaned to this State, or to any city, county or town therein. No loan shall be made to any officer, employee or trustee of the company, and not more than ten per centum of the capital shall be invested in any one security or loan, except in the provisions of a building and vaults. Any real estate not needed for the transaction of the business of the company, which shall be acquired by foreclosure, etc., shall be offered for sale, and if practicable sold within two years. A separate trust department must be maintained, and all money or property held in trust, and the accounts thereof shall be kept separate, and must not be mingled with the assets of the company. Money and property held in trust shall be invested in a general trust fund, unless by the terms of the trust special directions for investment are given. Such companies must maintain a reserve of fifteen per centum of all deposits payable on demand or within ten days, one-third of which must consist of lawful money of the United States. Clearing-house certificates, representing specie or lawful money specially deposited in the vault of such company or the United States sub-Treasury for the purpose of any clearing-house association of which said company may be a member, may be recorded as a part, not exceeding one-third, of said reserve. One other third shall consist of bonds of the United States or of this State.

The statute prescribes that stockholders are subject to double liability, but this is removed by an amendment to the constitution of the State, adopted in 1903. The trustees of such companies are required to make to the Auditor of State, within ten days after each annual meeting, a complete statement of the condition of the company. The Auditor has power, at any time, to examine such companies through an expert appointed by him. A trust company may not act as executor, administrator, assignee, guardian, receiver or trustee, unless and until it has made a deposit with the Treasurer of State, to be held by him in trust as security for the faithful performance of such duties. This deposit must amount to at least $25,000 in cities of the second class having a population of less than 33,000; and at least $100,000 in cities having a population of more than 33,000. Nor may such trusts be accepted unless and until the capital, paid up, amounts to at least $50,000 in cities under 33,000 population, and at least $200,000 in larger cities. The deposit with the State Treasurer may consist of the securities in which the company is by law allowed to invest its capital; or it may consist wholly of bonds of the United States or of the State of Ohio. Courts appointing such companies to act in trust capacities may at any time have such companies examined, upon written application of any party interested in an estate which

the company holds in any trust capacity. Trust funds, and the capital of the company, may be invested, in addition to the securities above mentioned, in the stocks of gas light and coke companies, gas companies, gas and electric light companies, or stocks of street railway companies located in the same county as the trust company, which have paid regular dividends on their stock for five years preceding; provided that such investment is authorized by resolution of the board of directors, and that not more than ten per centum of the capital of the company shall be invested in any one security or loan.

The provisions above recited apply to "safe deposit and trust companies." "Title guarantee and trust companies" have power to do a title insurance business; to make loans for themselves or as agents or trustees for others; to guarantee the collection of interest and principal of such loans; to take charge of and sell, mortgage, rent or otherwise dispose of real estate for others, and to perform all the duties of an agent relative to property deeded or otherwise entrusted to them. Such companies must have a capital of at least $500,000 fully paid up, and must deposit with the Treasurer of State $250,000 in securities which may consist of bonds of the United States, of Ohio, of any State of the United States, of counties, townships or municipal corporations in the State, of railroads within the State, or mortgages on unencumbered real estate within the State worth double the amount loaned thereon, stock of National banks in the State, stocks or bonds of any solvent dividend-paying institution incorporated under the laws of any State, or notes maturing in not more than six months secured by any of the above securities as collateral. Such companies are subject to the same provisions as safe deposit and trust companies with regard to reports and examinations.

(Bates' Annotated Ohio Statutes [edition of 1903], §§ 3817–3821ggg; Laws of 1904, page 266, House Bill No. 161.)

OKLAHOMA.

Three or more persons may incorporate a trust company. Articles of agreement must be filed with the recorder of deeds of the county, and with the Secretary of the Territory. The number of years the corporation is to continue may not exceed fifty. Capital required, not less than $100,000 in towns of less than 10,000 inhabitants, and not less than $200,000 in larger places; one-half paid in cash, and the balance to be paid within six months. The capital may not exceed $10,000,000. The affairs of the corporation shall be managed by a board of directors, not less than five nor more than twenty-five in number, each of whom must be a stockholder. If the number exceeds five, they shall be divided into three classes so that the terms of one-third shall expire each year, the term of each thereafter being three years.

Powers specified: The ordinary powers of corporations; to receive money in trust, and the payment to them on their order of deposits made by minors shall be binding on them; to guarantee special deposits; to do a safe deposit business; to accept and execute trusts and duties of every description committed to them by persons or corporations; to accept and execute court trusts; to act as assignee, receiver, trustee and depository; to hold in trust any real or personal property from whatever source received, and in whatever manner conveyed, and to execute any lawful trusts in regard to same; to act as surety on bonds, and to guarantee against loss any principal or

surety on a bond; to do a fidelity insurance business; to act as agents and attorneys in fact for persons and corporations for the management of real or personal property and for the investment of money; to act as registrar or transfer agent; to execute trusts for married women with respect to their separate property, real or personal, and as agents for the management of same; "and generally to have and exercise such powers as are usually had and exercised by trust companies;" to act as executor, administrator, guardian or curator of any infant, insane person, idiot or habitual drunkard, or trustee of any convict in the penitentiary; to loan money upon real estate and collateral security; to issue its notes and debentures payable at a future time, and to pledge its mortgages on real estate and other securities as security therefor, which notes and debentures may be issued to an amount, not exceeding in the aggregates, ten times the paid capital of the company, and shall in no case exceed the amount of the first mortgages pledged to secure their payment; to buy and sell the bonds and warrants of this Territory, and all other kinds of Government, State and municipal bonds, and all kinds of negotiable and non-negotiable paper, stocks and other investment securities. Moneys placed in charge of the corporation may be invested in loans secured by real estate or other sufficient collateral security, in public bonds of the United States, or of this Territory, or of any State, or in the bonds or stocks of any county or school district, or any incorporated city, town or village of any State or in this Territory or in the Indian Territory. Such corporation may own only such real estate as is required for the transaction of its business, and such as is acquired in the settlement of debts due to it. The directors are required to render full statements to the stockholders as often as once in each year. Within fifteen days of a call by the Secretary of the Territory, they shall render to him a report of the condition of the company on a day prior to the call specified by the Secretary, giving such information as he calls for. A summary of this statement must be published in a local newspaper. The books and records of the company shall be kept open "for inspection of all persons interested." Such corporations are subject to the inspection of the Bank Examiner of the Territory, who is authorized to take immediate charge of the company if found to be insolvent. Trust companies may qualify as guardian, curator, executor, administrator, assignee, receiver, trustee or depository of money in court, without giving bond as such, and become sole guarantor or surety upon any bond required by the laws of the Territory, any other statute to the contrary notwithstanding, as well as to insure the fidelity of persons holding places of public or private trust; provided, such company shall first deliver into the custody of the Treasurer of the Territory a deposit of $200,000, consisting of cash or Government, county or municipal bonds, or bonds or warrants of the Territory of Oklahoma, or notes or debentures secured by first mortgage or deeds of trust on real estate situated in the Territory of Oklahoma, worth at least double the amount loaned thereon, or such other first-class securities as the said Treasurer may approve, said bonds or securities not to be received or held at a rate above par, but if their market value is less than par they shall not be held above their actual market value. The fund so deposited shall be primarily liable for the obligations of the company in the above-mentioned fiduciary capacities.

(Corporation Laws, chapter 8, article 14, §§ 189–205 [this is an act of March 8, 1901]; Laws of 1903, chapter 4, § 5.) CLAY HERRICK.

(To be continued.)

THE EXTENSION OF THE CLEARING SYSTEM.

The economy in the employment of metallic money which arises from the use of the check and deposit system has received a further great development by the extension of the principle of clearings, or compensation. The clearing system is a development of a principle of Roman commercial law known as *compensatio*—the setting off of a debt which one owes to another by a claim against him.[1]

This system attained a high degree of perfection in the Middle Ages at the fairs of Lyons. Under an ordinance of Louis XI. (March 8, 1463), four fairs were authorized at stated intervals in each year, each of which was followed by a day of settlement, fixed at the fair next preceding. Every banker came to these settlements prepared with a balance-sheet of his debts and credits. Three steps were required in completing settlements: first, the acceptance of bills by those upon whom they were drawn. This was necessary, as Vigne points out, in order to determine what items could actually be cleared.[2] Then came the comparison of accounts, and finally the settlement in money, of which very little was ultimately required. Rates of exchange for Western Europe were largely fixed at Lyons, until at the end of the sixteenth and the beginning of the seventeenth century the Genoese attained predominance in financial matters, and the fairs of Placenzia became the clearing-house of Europe. Admission to the clearings required a guarantee of 2,000 crowns, and paper to be settled there rested in a measure upon the combined credit of all the great exchange houses of Europe.[3] The quarterly settlements were made in a handsome building (*la loge des changes*) erected by Soufflot, and were continued until the Revolution.[4]

Knowledge of the methods of clearing practiced at Lyons was spread in the eighteenth century over Europe by the translation into many tongues of the work of Savary, *Le Parfait Negociant*, and was put to profitable use.[5] The Edinburgh Clearing-House was founded in 1760 and that of London about 1775, but it was not until 1846 that a clearing-house was established at Dublin and 1872 when the system was extended to the smaller English cities.[6] London bankers down to about 1775 used to send out clerks daily to collect from the other banks the notes and other obligations of such banks which had fallen into their hands. This required each bank to pay in full in cash all of its obligations which were presented by all the others, and required each to keep a large amount of money. The cost and wastefulness of this method led the bankers to take the matter in hand to secure permanent quarters for the meeting of their clerks and settlement of their balances.

The settlement of balances at the clearing-house was at first made in cash,

[1]MacLeod, "Theory of Credit," I, p. 330. [2]La Banque à Lyon, p. 119.

[3]Nys, p. 163.

[4]The last settlement was in April, 1793. Vide the report of the Chamber of Commerce of Lyons in 1802, given by Courtois, "Histoire des Banques en France," p. 334. [5]Vigne, p. 152.

[6]Francois, in "Journal des Economistes" (March, 1897), XXIX, p. 345.

but since 1854 has been made in drafts upon a special deposit fund by each bank at the Bank of England for the benefit of the clearing-house. As these deposits are not specifically set aside in cash, the entire clearings are practically made by credit and without the intervention of currency. The balances settled ran as high as £5,534,000 in a single day in the year ending March 31, 1880, which would have absorbed one-fifth of the circulation of the Bank of England if bank notes had been employed.[7] The admission of the joint-stock banks to the clearing-house, which did not occur until 1854, is estimated to have released them from the necessity of keeping £500,000 in currency on hand for meeting their checks.[8] In Scotland the system of settlements by drafts upon London was early adopted and it was made a rule that in case such a transfer was not duly paid in London "without prompt and satisfactory explanation of the cause, the bank issuing such intimation of transfer shall be immediately excluded from the exchange room and clearing-house."[9]

At New York the necessity for daily clearings was keenly felt with the increase of the number of banks from twenty-four in 1849 to sixty within a few years. At first it was sought to obviate the difficulty and expense of having sixty porters on the move daily from bank to bank by permitting weekly settlements on Friday mornings, but this arrangement was taken advantage of by the weaker and more speculative banks to borrow of the larger ones by drafts during the week.[10] Certain exchanges were made among the porters themselves, but finally out of much confusion and in the face of opposition from the weaker banks came a clearing-house arrangement which took effect October 1, 1853. Even at that early day it was found necessary to economize the use of coin in the settlement of the daily balances by the creation (in 1857) of a common coin fund in the Bank of America, against which coin certificates were issued for use between the clearing-house banks.[11]

Economy of the Clearing System.

The clearing-system results not merely in economy of time and labor, but in great economy of money. In the absence of a clearing system, each bank must be prepared to pay on demand the aggregate of all its obligations in the hands of other banks, or at least the aggregate of the balances due such banks when added together. Under the clearing system only the net balance due to all other banks has to be paid after their accounts have been balanced against each other. Thus, if Bank A owes $150,000 more to Bank B than the latter bank owes to it; and owes a similar balance of $200,000 to Bank C, and $50,000 to Bank D, it must have ready to pay to these banks $400,000 in money, even though there may be due to Bank A from Banks F and G balances aggregating $480,000. Under the clearing system, these claims are balanced against each other, with the result that Bank A, instead of holding $400,000 in money, is creditor in the net sum of $80,000. Among

[7] London "Bankers' Magazine" (February, 1896), LXI, p. 253.

[8] MacLeod, "Theory and Practice of Banking," II, p. 184.

[9] Gilbart, II, p. 245.

[10] Gibbons, p. 293.

[11] Gibbons points out that "the amount of coin required in the settlement of March 20, 1857, when the exchanges were heavier than on any other day since the establishment of the clearing-house, was $1,444,419.79—equal in gross weight to about three tons avoirdupois, or 6,500 pounds."—The Banks of New York, p. 316.

sixty-odd banks, as in the New York Clearing-House, it is obvious that accounts between the banks will largely balance, and that relatively small differences will remain to be settled in cash.

The economy in the use of money actually realized by the clearing system has been in New York about ninety-five per cent. of the volume of transactions. Greatly as their aggregate has grown since 1853, the average daily balances over a year which have been paid in money have not been higher than 6.71 per cent. (in 1895) nor lower than 2.99 per cent. (in 1869). The variations have undoubtedly been greater for single days, and are subject to the accidents of exceptional balances for or against particular banks. It is not apparent that the ratio of balances would be influenced materially by the state of business activity, for while individual banks might have larger credits against their associates than in periods of depression, these would normally be offset by large credits against them in favor of other banks, leaving net balances to be paid in money unaltered in their ratio to aggregate exchanges. The aggregate of clearing transactions is, however, greatly influenced by the state of trade. Clearings at New York were reduced in volume beginning with 1892 by the creation of the Stock Exchange Clearing-House. Making some allowance for this influence, the variations in aggregate clearings under different business conditions may be deduced from the following table: [12]

Variations in Clearings at New York.

YEAR.	*Average daily clearings.*	*Per cent. balances to clearings.*	*Remarks.*
1870	$90,274,479	3.72	
1873	115,885,794	4.15	Great business activity.
1874	74,692,574	5.62	Industrial depression.
1881	159,232,191	3.66	Renewal of railway building.
1885	82,789,480	5.12	Results of bank panic.
1890	123,074,189	4.65	Business expansion.
1894	79,704,426	6.54	Depression following panic.
1896	96,232,442	6.28	Free silver panic.
1899	189,961,029	5.37	Renewed confidence and activity.
1901	254,193,689	4.54	Culmination of industrial flotations.
1904	195,648,514	5.20	Diminished stock exchange and business activity.

The benefits of the clearing system are not limited wholly to those banks which are members of the clearing-house. Thus in 1901 there were seventy-nine banks and trust companies in New York and vicinity which cleared through other banks. The arrangement was typical which is described by Horace White: [13]

"The Union Trust Company, for example, makes an arrangement with the Bank of Commerce, by which all checks drawn on the former may be presented at the clearing-house to the settling clerk of the latter and be treated by the latter exactly like the checks drawn on itself. In this case the Bank of Commerce is responsible to its fellow-members of the clearing-house for checks drawn on the Union Trust Company in the same way as for its own checks."

This form of arrangement was partially interfered with in 1902 by the withdrawal of the principal trust companies from the privileges of the

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[12] Figures from Report of the Comptroller of the Currency, 1904, p. 396. It will be noted that the decline in clearings usually follows some time after a banking panic, because industrial activity is checked only gradually, as the influence of impaired confidence ramifies to different classes of consumers.

[13] "Money and Banking," p. 241.

clearing-house, in consequence of a requirement of the clearing-house committee that they keep large amounts of currency idle in their vaults; but even under these conditions, the trust companies paid their obligations to other banks largely in checks drawn on clearing-house banks, and could not well be deprived of the privilege accorded to every individual of making collections through clearing-house banks with which they kept accounts. It was thus left to the latter to collect checks drawn on trust companies not entitled to clearing privileges in such manner as they might think proper.[14]

Clearings in European Countries.

One reason for the less complete development of the clearing system on the European Continent than in Anglo-Saxon lands is the fact that in the chief Continental countries down to a recent date a large proportion of banking business was carried on by a single large bank with branches. Such a bank clears transactions between its clients through its many branches which would be settled in Great Britain or America by transactions through independent banks. The checks in the former case are settled in the bank itself, while in the latter they pass through the clearing-house.[15] A great volume of transactions of this character is cleared through the Bank of France and the Imperial Bank of Germany by means of the different forms of checks and drafts which they put at command of their clients. At the Bank of France there are not less than three forms of checks, exclusive of other methods of transferring funds. The "direct" checks, of a violet color, are employed for transfers at the same place. The "indirect" checks, which are red, require payment at another place than that on which the check is drawn. The mixed checks, for meeting discounts and other obligations, are so drawn as to be payable at the place where payment may be demanded by the holder of the obligation.[16]

At the Imperial Bank of Germany also a system of transfers of funds for individuals, even those who are not regular depositors with the bank, serves in a large degree the purpose of a clearing arrangement. A payment will be accepted at a branch from a person not a depositor, to be credited at the head office or some other branch to the account of a person who is a depositor. In the same manner, transfers will be made between accounts of different depositors at different branches. The volume of operations of the first class reached in 1903 the amount of 1,671,809,740 marks ($398,000,000) and of the second class 26,947,493,180 marks ($6,400,000,000).[17]

A similar system of clearing is practiced by the large commercial banks with their many branches, which have become competitors of the National banks in Paris, Berlin, and Brussels. Each of these institutions clears many transactions among its own clients, although of necessity forced to use the clearing-house or the method of direct presentation of obligations when they are drawn upon other banks. There are many transactions of this character through the American banks, on the other hand, which do not appear in any

[14]Fiske, p. 216.

[15]If there were only two banks in a particular place there would be no economy in a clearing place. Two clerks would meet at the banking house of one or the other, and compare the checks that each holds against the other.—White, "Money and Banking," p. 240.

[16]Vide article by the writer in "New York Bankers' Magazine" (April, 1897), LIV, p. 526.

[17]Vide London "Bankers' Magazine" (August, 1904), LXXVIII, p. 200.

reports of their transactions or clearings. A check drawn upon the Bank of France by one patron of a bank in favor of another patron is recorded in its published reports of the volume of transactions; but a check thus drawn by the patron of an American bank and deposited by another patron in the same bank is not made the subject of public records. These differences in the character of the clearings and the records of them is of importance in comparing the small volume of clearings at Paris or any other Continental clearing-house with the clearings at London or among the American banks.

Establishment of Stock Exchange Clearing-Houses.

Another long step in the economy of money, which is of comparatively recent origin, is the institution of clearing-houses for stocks. The first official stock exchange clearing-house was founded at Frankfort in May, 1867, and it was found that settlements involving $250,000,000 in securities could be made by the payment of $5,000,000 in currency. The primary feature of the stock exchange clearing-houses is the setting off of sales of stock by certain brokers against purchases of the same stock by other brokers, so that the final balances only are delivered by the clearing-houses. Several of the stock exchange clearing-houses go further and settle the entire money balances between brokers. The Berlin Exchange adopted the clearing system in 1869, the Hamburg Exchange in 1870, that of Vienna in 1873, and that of London in 1876. The peculiar organization of the Paris Bourse has prevented the formation of a regular stock clearing-house in Paris, but the same results are obtained by a voluntary comparison of accounts. The system went into operation at New York on May 17, 1892, the one hundredth anniversary of the broker's agreement out of which grew the New York Stock Exchange. It was set forth by the committee which recommended it that "Our present system of actual payment of entire value in every transaction blocks up in active times both banks and offices to an intolerable extent, and is an obstacle to the growth of the business commensurate with the growth of the country." [18]

The new system consists in a comparison of accounts in much the same manner as in bank clearings. Each broker submits to the clearing-house a list of the stocks which he has bought and sold. If A, for illustration, has sold 100 shares of American Tobacco Stock to B, and B has sold 100 shares of the same to C, the transactions of B cancel each other, and A makes delivery to C. The money balances are settled by making deliveries at an arbitrary uniform price for each stock (near the average price for the day) and then becoming debtor or creditor of the clearing-house to the amount of the difference between these prices and actual prices. This system so economizes the use of money and banking credits that it has not failed to respond to the severest tests. It has handled 100,000 items in a single day. In the panic of May, 1901, it successfully permitted the clearing in one day of 12,131,600 shares ("both sides," purchases and sales), of a total value of $961,300,000, with cash balances of $5,461,700.[19]

The difficulty of carrying on this large volume of business without the clearing system may be deduced from the fact that the values represented on this date were almost equal to the entire deposits of the clearing-house banks of New York city, and the bank certifications obviated were $221,050,000. If this was the record of a single day, it is not surprising that the operations

[18] Pratt, p. 117.

[19] Pratt, p. 119.

of the entire year 1901 showed clearings of 926,347,300 shares, valued at \$77,853,500,000, with cash balances of \$116,849,300. The bank certifications which would have been required under the old system, amounting to \$27,995,896,400, were reduced by the clearing system to \$10,930,853,600. Failures were less numerous in 1893 than they would have been under the old system of certification, and with its aid, in the language of Pratt, "the mechanism of Wall Street appears powerful enough to conduct easily and well all the possible operations of the future." [20]

LESSENED USE OF MONEY AS A RESULT OF CLEARING OPERATIONS.

How far the use of checks and the clearing system obviates the use of standard money is a question which has caused much discussion in recent years, because of the bearing of the problem upon the question whether the supply of money was increasing or not relatively to the work for it to do. It is only the facts, if they are ascertainable, with which it is necessary to concern ourselves here. Upon the face of repeated investigations in Europe and the United States it has appeared that the receipts of banks consist of instruments of credit of one form or another in the proportion of more than ninety per cent. But this fact does not answer all the questions which may be raised. It may be questioned whether this proportion of credit instruments does or does not actually represent in all cases a corresponding economy in keeping metallic money, and whether the statistics of receipts by banks do or do not correctly represent all transactions expressed in money. Before taking up these questions, it will be well to present some of the results of general inquiries on the subject.

An inquiry was made in England by Sir John Lubbock on the receipts of his own bank in the closing days of 1864. He found that even at that time, after eliminating Bank of England notes drawn by the bank to replenish its till money, and making other corrections, the receipts of the bank for several days showed coin to the amount of 0.6 per cent.; bank notes, 2.6 per cent.; and checks and bills, 96.8 per cent. Other inquiries did not show so large a proportion of checks and bills, probably because the transactions of Sir John Lubbock's bank were chiefly in large amounts.[21] An inquiry made by Pownall in 1881 brought together later English statistics showing the following percentages in bank receipts:

Bank Receipts in Great Britain, 1881.

PLACE.	*Coin.* Per cent.	*Notes.* Per cent.	*Checks.* Per cent.
London	0.73	2.04	97.23
Edinburgh	0.55	12.67	86.78
Dublin	1.57	8.53	89.90
Country banks in 261 places	15.20	11.94	72.86

Several successive investigations by the Comptroller of the Currency of the United States have shown that in the transactions which pass through the National banks of the United States between ninety and ninety-five per cent. are conducted by means of checks and drafts. The first systematic inquiry of this sort, made in 1881, showed that the receipts of the banks reporting for date of June 30, 1881, were \$284,714,016, of which 95.1 per cent. were in checks and drafts. A similar inquiry for July 1, 1890, showed the

[20] "The Work of Wall Street," p. 118.
[21] Vide Finance Report (United States), 1881, p. 194.

proportion of checks and drafts to be 92.5 per cent.; on September 15, 1892, 90.6 per cent.; and on July 1, 1896, 92.5 per cent. In New York city the percentage of receipts in checks in 1881 was 98.7 per cent.; in 1890, 96 per per cent.; in 1892, 92.3 per cent.; and in 1896, 97.8 per cent. The proportion of receipts in different localities is indicated by the following analysis:

Character of National Bank Receipts.

(September 15, 1892.)

Location of Banks.	Number of banks.	Total receipts.	Percentage.		
			Coin.	Paper currency.	Checks, drafts, etc.
New York	48	$130,976,963	0.11	7.53	92.36
Other reserve cities	281	116,514,324	0.82	6.44	92 74
Banks elsewhere	3,144	83,713,926	3.80	11.29	84.91
United States	3,473	$331,205,213	1.29	8.10	90.61

The degree to which instruments of credit are cleared against each other by a central note-issuing bank is indicated by the returns of its receipts kept regularly by the Bank of France. These reveal the following figures for representative years:

Annual Receipts of the Bank of France.

(In millions of francs.)

Year.	Specie.	Notes.	Transfers or checks.	Total.
1840	955.9	4,150.1	3,281.4	8,387.4
1860	6,629.1	15,411.0	11,488.4	33,528.5
1880	5,323.3	32,095.1	32,713.5	70,131.9
1890	3,098.8	36,437.9	43,330.7	82,867.5
1895	2,904.8	33,802.2	53,472.6	89,179.7
1900	3,350.5	43,449.6	102,447.0	149,247.1
1903	3,889.8	46,118.0	124,963.2	174,971.0

These immense totals, representing for 1900 about $30,000,000,000, or nearly three-fifths of the transactions through the New York Clearing-House in the same year, reveal in a measure the important part played by the Bank of France as a substitute for a general bankers' clearing-house. How generally the instruments of credit known as bank notes are used in currency payments is revealed by inquiries which have been conducted by the French Government at frequent intervals, during recent years. These have shown, even in the short interval since 1885, an increase in the proportion of bank notes in total payments on a given day into leading banks and Treasury offices from 67.63 per cent. in 1885 to 80.51 per cent. in 1891; 84.21 per cent. in 1897; and 87.02 per cent. in 1903. As the smallest bank note in France is for fifty francs ($9.65), it is evident that the use of notes has closely approximated its possible limits under existing monetary arrangements.[22]

These reports of receipts by banks relate, however, only to business which is done through banks, and to all classes of such business. Two corrections

[22]There seems to be still, however, a slight margin of possible increase outside of Paris, since the percentage of notes used in 1903 in Paris and the Department of the Seine was 92.33 per cent. and in other departments 82.64 per cnt.—Bulletin de Statisque (March, 1904), LV, p. 296.

suggest themselves in seeking to reach a true proportion of the relative use of money and instruments of credit in all transactions: first, the probably larger use of money outside the banks; and, secondly, the probably larger proportion of money used in retail transactions.

Upon these points information is necessarily somewhat scanty. Some light is thrown upon the subject by deposits in banks by retail tradesmen. *A priori* it might be assumed that if a tradesman brought to his bank for deposit a certain amount in checks and other amounts in currency, which had been paid to him by his customers, the proportions of these forms of money or credit represented the proportions in which his customers made use of them. Such a theory, however, is subject to many qualifications. The most careful investigation of the subject yet made was made under the Kinley. He reached the conclusion that about fifty-five per cent. of retail authority of the Comptroller of the Currency of the United States in 1896 by transactions in the United States were carried on by checks or similar credit instruments, exclusive of bank notes (which were counted as money). The proportion was reduced as compared with the results of the previous general inquiry, because only deposits—not gross receipts by banks—were dealt with, and because deposit accounts were classified and only those of retail dealers used in reaching these conclusions.[33]

Some interesting facts, confirming other positions taken in this series of articles, were brought out by Kinley's inquiry. One of these was that checks and store orders formed a larger proportion of retail deposits in some of the farming and sparsely-settled districts than in and near commercial centers. Thus the practice of paying wages in checks is reported as very common in a list of sixteen States, of which all but Michigan are west of the Mississippi River. In some of the Eastern States this practice is forbidden by law and short periods of payment are made mandatory. In such cases there is not only a smaller use of checks, because employers are required to pay cash, but where income of employees is received often, the amount received at one time is not sufficient to make it worth while to deposit it in bank and check against it. In a manufacturing town also creditors are near and easily accessible, making it less troublesome to apportion money among them by direct payment than to pay by check.[34] In certain Southern States also checks were found largely in use among farmers. When received by them for cotton and tobacco, they would be turned in at the retail stores, making the latter bankers for the farmers so far as cashing checks was concerned.[35] These facts go to show a use of checks which is compulsory as the result of deficiency in currency rather than a use which is voluntary because of greater convenience.

Differences in the character and economic status of cities of varying populations are reflected also in the ratio of instruments of credit. It would appear roughly that the rule of the increase in the use of credit in proportion to population is modified by the other rule, already discussed, of increasing

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[33]One of the confirmatory evidences of the correctness of the percentage reached was afforded by deposits in certain savings banks, of which 54.2 per cent. were in the form of checks and other credit paper.—Journal of Political Economy (March, 1897), V, p. 168.

[34]Con. Kinley, "Credit Currency and Population" in "Journal of Political Economy" (December, 1901), X, p. 90.

[35]Vide statements of J. F. Crowell in "Journal of Political Economy" (March, 1897), V, p. 170.

investment of capital in money of intrinsic value with increase of wealth. The greater economy in using money in such cases is parallel to that of using hand labor where only a few articles of a kind, as nails or horseshoes, are to be produced, instead of setting in operation delicate and complicated machinery, the mere working of which for a few moments may involve large expense in coal and attendance. As the interplay of these forces upon the use of money and credit is worked out by Kinley: [38]

"In a small place, with a single bank, whose bookkeeping is simple and whose office expenses are small, it may pay to handle checks for so small an amount as a dollar, or even fifty cents. There is no clearing-house to go through, no duplication of transfers and other records. The case is quite different in the great credit centers. The credit machinery of New York is too costly to use on sums so small. It is easier and less expensive to make such payments in money. And we cannot insist too strongly on the point that a commercial community will always choose the least expensive method of payment."

From these data it appears that the system of compensation, or clearing, is a factor of great importance in the economy of money. If this is so, the extent to which the clearing system is availed of in economizing the use of money may be as important as the economy obtained by the issue of notes or by the use of the deposit currency in the form of checks and drafts. As the volume of clearings is the product of the volume of transactions, and changes radically from year to year without producing exactly corresponding changes in the volume of money, it becomes clear that it is an influence which cannot be neglected—even if a somewhat bewildering influence—in the mooted problem of the relation of the supply of money and credit to prices of commodities. CHARLES A. CONANT.

[38] "Journal of Political Economy" (December, 1901), X, p. 87.

THE ADVANCE OF SOCIALISM.—The advance of Socialism, therefore, can best be checked—it may properly be said can only be checked—by the triumph of those who occupy the middle ground in all these controversies, who seek for the establishment of arbitration and conciliation between employers and employes, who advocate government regulation of railroads, and who, while not attacking the rights of property by individuals or corporations, nevertheless would construct lines of defense against monopoly on the one side and anarchy on the other by providing a system of reasonable governmental supervision of the interstate companies.

The great increase in the Socialist vote at the recent election has alarmed a good many people. We think that the importance of the Socialistic vote as actually cast has been somewhat exaggerated; but this is certainly true, that there has been a great increase of Socialistic sentiment throughout the country—a sentiment which, while it has not identified itself widely through the older political organizatons, and is to be found even in quarters where one would least expect to find it. Unless the policies of those occupying the middle ground of conciliation and government regulation are adopted, there is every reason to fear that this Socialist sentiment will be consolidated in some shape that would be perilous indeed to the existing order of society. The extremists on both sides therefore, whether they are aware of it or not, are really revolutionists working for overthrow and anarchy.—*Wall Street Journal.*

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

TITLE TO DRAFT DEPOSITED IN BANK.

Court of Appeals of Maryland, January 13, 1905.

T. S. REED GROCERY CO. *vs.* CANTON NATIONAL BANK.

Where the payee of a draft deposited it with a bank, and received credit at the bank as depositor, the proceeds of the draft became the property of the bank, and could not be recovered by the drawer on a failure of consideration of the draft as between the drawer and the payee.

JONES, *J.* (omitting part of the opinion): This case, as appears from the record, arose out of the following facts:

The appellant is a corporation doing business in the State of Texas. The William Fait Company is a corporation doing business as packers of oysters, fruit, and vegetables, in the city of Baltimore, in this State. On September 3, 1902, the appellant, per contract in writing, purchased of the William Fait Company 400 cases of "Standard String Beans." On September 5, 1902, the William Fait Company sent to the appellant an invoice for said goods, in which the terms of payment therefor were expressed as "sixty days' acceptance or cash less 1½ per cent. in ten days." On September 16 the appellant, availing of the ten-days' provision of the contract, remitted to the William Fait Company a draft on the Mercantile National Bank of New York City for the invoice price of the goods. This draft was indorsed by the said payee company "for deposit only to credit of William Fait Company," and deposited by said company in the Canton National Bank, in the city of Baltimore, the defendant in the court below and the appellee here, and was by the said bank placed to the credit of the said corporation depositor. In the usual course of business the same was collected on or about September 24, 1902, and the proceeds thereof were retained to the credit of the William Fait Company. On September 13, 1902, without the knowledge of the appellant, the William Fait Company drew on the appellant at sight, and, attaching the bill of lading of the goods sold, per the contract which has been mentioned, to the draft, had the same discounted by the Baltimore Warehouse Company. This last-mentioned draft, with the bill of lading attached, was presented to the appellant at Beaumont, Tex., on September 17, 1902, and payment thereof was refused on the ground that the goods in the bill of lading mentioned had already been paid for by the appellant's draft of September 16 heretofore mentioned. On September 26, 1902, the William Fait Company, being then insolvent, went into the hands of receivers appointed by the circuit court of Baltimore City to take charge of its affairs, and was thereafter adjudicated a bankrupt by the United States District Court for the District of Maryland. On October 18, 1902, the draft of the William Fait Company of September 13 previous, which had been discounted by the Baltimore Warehouse Company, was paid by the appellant, upon the same being then again presented, "in order to obtain" the goods covered by the bill of lading attached thereto.

The case was submitted to the court below upon an agreed statement of facts, which concludes as follows:

"The proceeds of said draft of plaintiff of September 16, 1902, were placed

to the credit of the said William Fait Company in due course of business, and became part of the general funds of the bank, subject to the check of the William Fait Company; that deposits were afterwards made by the said William Fait Company on its said account, and checks to the amount of more than $15,000 drawn thereon, and at the time of the failure of the said William Fait Company it was indebted to the defendant (appellee) in more than the sum of $12,500, and it applied the balance of the general account of the William Fait Company, amounting to $4,000, to its claim against it, but which indebtedness matured after the appointment of receivers." * * * * * *

It was intended that the draft, and the proceeds thereof when collected, should be the property of the William Fait Company. When this company indorsed it to the appellee bank, and it had been collected, and the proceeds placed to the credit of the company, and had become, as expressly stated in the agreed statement of facts, "part of the general funds of the bank," there arose, in respect to these proceeds, between the appellee and the William Fait Company, the relation of debtor and creditor. (Hardy vs. Chesapeake Bank, 51 Md. 562; Tyson & Rawls vs. Western Nat. Bank, 77 Md. 412; Colton vs. Drovers' Bldg. Ass'n, 90 Md. 85.) That is to say, the bank became the owner of the money, and the debtor to that extent of the depositor. This, at least, would be so according to the settled, ordinary rule governing transactions of the character between a bank and its customers. Is there anything to except the transaction here in question from this rule? There was certainly nothing immediately accompanying the transaction to so except it. It was said in the case of Tyson & Rawls vs. Western Nat. Bank, supra: "We must judge of the legal rights by the state of facts which exist at the time they arise, and not by events which occur afterwards."

It is said it was a fraud upon the appellant for the William Fait Company to retain the draft of September 16, 1902, and apply the proceeds to its own use after it had discounted the draft with the warehouse company, and given that corporation control of the goods sold to the appellant through its possession of the bill of lading. The breach of duty to the appellant upon the part of the William Fait Company, however, did not consist in the appropriation to its use of the draft of September 16, 1902. That was intended by the appellant as a payment to that corporation of the purchase money for the goods purchased by the contract of September 3, 1902. This purchase money the William Fait Company was entitled to get if the contract was to be performed. At the time the vendor received the draft of September 16 in question and placed it for collection for its account, the appellant had not paid the draft discounted by the warehouse company. On the contrary, it had expressly refused to pay it on the ground that the purchase money of the goods described in the accompanying bill of lading had already been paid by the draft of September 16. Up to this point, therefore, the appellant had done nothing more than to perform its part of the contract by paying the purchase price of the goods sold to it by the contract of September 3. It then became the duty of the William Fait Company, the vendor of the goods, to deliver them to the appellant. This it could have done by taking up the draft given to the warehouse company and releasing the goods for the benefit of the appellant; but if it failed to do this, or for any reason at all failed to deliver the goods in performance of its part of the contract between it and the appellant, such failure constituted the breach of duty and the fraud made apparent from the facts in the case, which undoubtedly gave to the appellant a right of action against its vendor. The appellant, upon this breach of the contract, could have sued for damages for the breach, or could have rescinded the contract, and brought an action for money had and received against the vendor in the contract to recover back the purchase money which it had paid. (Pott & Co. vs. Schmucker, 84 Md. 535.)

All this, however, was between the appellant and the William Fait Company. As respects the appellee, it was res inter alios. At the time the appellee collected the draft of September 16 in question, the appellant was in the attitude of insisting upon the contract it had made with the William Fait Company. It had not then elected to ignore the contract and sue to recover back from the William Fait Company the purchase money for the payment of which the draft was given. It made no attempt whatever to prevent the collection of the draft by any sort of notification to the bank

on which it was drawn nor to its vendor, the payee thereof, and certainly not by any to the appellee. The draft was collected, the proceeds were placed to the credit of the William Fait Company, "became part of the general funds of the bank, subject to the check of the" depositor; and, it is fairly inferable from the agreed statement of facts (Code, art. 26, § 15), became in part the basis of credit upon which subsequent advances were made to the William Fait Company to the extent of leaving that corporation at the time of its failure and insolvency a debtor to the appellee. Upon such a state of case it is not perceived upon what principle of commercial law or rule governing the transfer of commercial paper the proceeds of the draft in question, for which the appellee is here sued, can be held to be the property of the appellant, to be recovered of the appellee in an action for money had and received. The judgment below will therefore be affirmed.

Judgment affirmed, with costs to the appellee.

PROMISSORY NOTE—FILLING BLANKS.

Supreme Court of Wisconsin, December 13, 1904.

SMITH *vs.* WILLING.

A note on a printed form, after the words "pay to the order of," contained a single blank line terminating in the word "dollars," and the words "twenty-five hundred" were written at the extreme left of this line, so as to leave no space in front of them for the name of the payee. Held, that its silence as to the name of the payee could not be supplied by a provision for confessing judgment in favor of the holder, and the note be thereby transformed into a negotiable instrument, payable by its terms to bearer, as the note showed on its face that the payee's name was omitted by mistake, and it was therefore nonnegotiable because of its uncertainty as to the payee.

The omission of the name of the payee was not, in practical effect, the leaving of a blank which any person in possession of the note was thereby impliedly authorized to fill.

This was an action upon a judgment of the circuit court of Cook county, Illinois, which was based upon a promissory note in the following form:

"Four months after date for value received, I promise to pay to the order of twenty-five hundred dollars, at the office of People's Bank, Bloomington, Illinois, with interest at 7 per cent. per annum until paid. And to secure the payment of said amount I hereby authorize, irrevocably, any attorney of any court of record to appear for me in such court, in term time or vacation, at any time hereafter, and confess a judgment without process in favor of the holder of this Note, for such an amount as may be due and also for such an amount as may become due thereon, together with costs and fifty dollars attorney's fees, and to waive and release all errors which may intervene in any such proceedings, or in execution thereon, and consent to immediate execution upon such judgment, hereby ratifying and confirming all that my said attorney may do by virtue thereof. John Willing."

The note was upon a printed form which, after the words "pay to the order of," contained a single blank line terminating in the word "dollars"; the words "twenty-five hundred" being written at the extreme left of that line, so as to leave no space whatever in front of them for the name of a payee. The plaintiff's attorney, before taking judgment in Illinois, had interlined between the words "pay to the order of" and the words "twenty-five hundred" the name of Edward E. Smith. One of the defense alleged was the alteration of the note, without authority or right, by the insertion of the name of Edward E. Smith.

DODGE, *J.*: Plaintiff's principal contention is that this is a negotiable promissory note on either of two theories: First, that by reason of the provision in the power of attorney embodied in the note that judgment may be confessed in favor of the holder, the silence of the promissory part of the note itself as to a payee is supplied, and the note becomes, by its terms, a note payable to bearer; secondly, that omission of the name of the payee is, in practical effect, the leaving of a blank which any person having possession of the note is thereby impliedly authorized to fill up; the further conten-

tion being that, if this is a negotiable promissory note, the defendant has no meritorious defense based upon the agreement, at the time it was given, that it should be used only for a special purpose, since the very purpose of the law merchant is to give such currency and certainty to negotiable paper that equities existing only between the original parties cannot affect subsequent bona fide holders for value. (Young vs. Ward, 21 Ill. 226.)

The first ground on which plaintiff asserts negotiability, we deem untenable. The part of the entire writing which seeks to express the promise made clearly shows an intent that it be payable only to some person or that person's order, and thus negatives intent to make it payable to whoever may happen to acquire possession, without indorsement from the original payee. The two conceptions are antagonistic. We cannot think the mere authority to confess judgment in favor of the holder sufficient to overcome that clear declaration in the promissory portion. That would be an entirely proper and enforceable provision if some person had been in fact named as payee. It surely would not then suffice to transform the note into one payable by its terms to bearer.

We cannot avoid the conclusion that the paper on its face shows that a payee was intended to be named, but by mistake was not named. That this was the intent is confirmed by the evidence, which shows clearly that both parties to the making of the instrument intended to make it payable to the order of the People's Bank of Bloomington, and supposed they had done so. A promise to pay, other than to bearer, which is not certain as to the payee, is not negotiable, with certain well-defined conventional exceptions not at all applicable here. (McIntosh vs. Lytle, 26 Minn. 336; Alexander vs. Thompson, 42 Minn. 498; Brown vs. Gilman, 13 Mass. 158.)

The next contention rests upon a perfectly well-established rule, that the delivery of a negotiable instrument containing a blank space for any of the material elements thereof implies authority to fill up such blank in the hands of any one to whom it may come. (Snyder vs. Van Doren, 46 Wis. 602; Johnston Harvester Co. vs. McLean, 57 Wis. 258; Johnson vs. Weed & Gumaer Mfg. Co. 103 Wis. 291; Angle vs. N. W. I. Co. 92 U. S. 330; Dinsmore vs. Duncan, 57 N. Y. 573.)

This rule is based on implied agreement with any one who may become the owner, and is not to be confused in principle or application with those cases, some of which are cited above, where an incomplete instrument is delivered to one, not as payee, but as agent, with authority to make it complete, and where the agent exceeds his authority; for the insertion of plaintiff's name in this paper was not made by defendant's agent, but by plaintiff himself, under his claimed rights as owner. This implied authority depends, however, on the very existence of a blank. There is no right in the holder of a contract, negotiable or otherwise, to rewrite it or insert omitted provisions, except where the signer, by leaving a blank, obviously delivers it with such intention. In the instrument before us there was no blank; the writing joined to the printed portion without physical break or separation. True, there was an hiatus in sense, but that does not carry with it any authority to supply the missing term.

We must therefore reach the conclusion that this instrument is not negotiable.

CHECK—WHEN BANK RECEIVING IS NOT HOLDER FOR VALUE.

Court of Appeals of New York, January 31, 1905.

CITIZENS' STATE BANK *vs.* COWLES.

Where the holder of a check deposits it to his account and receives credit for the same, but the money is not actually drawn out by the depositor, the bank does not become a holder for value.

WERNER, *J.*: The action is upon a check dated June 1, 1900, drawn by the defendant upon the First National Bank of Port Chester, N. Y., to the order of W. W. Miller & Sons, for $600. The check was given in payment for a team of horses purchased by the defendant from the Millers under a written guaranty of soundness and condition, the alleged breach of which is now sought to be interposed as a defense.

The horses were delivered shortly after midnight on June 2, and later in the morning it was discovered that one of them was ill from pneumonia, as a result of which it died within about nine days. On Monday, June 4, which was the first business day after the giving of the check, the defendant's son notified the bank to stop payment on the check, and then communicated by telephone with one of the payees, advising him of the sickness of one of the horses, and of the fact that payment of the check had been stopped.

The payees indorsed the check to one George M. Hoffman, the President of the plaintiff bank, and mailed it to him at Little River, Kan., but whether it was so mailed before or after the notification as to the illness of the horse does not appear. Hoffman received the check on the 8th day of June, indorsed it, and within two or three hours deposited it with the plaintiff, which credited the amount thereof to Hoffman's account, indorsed the check to the National Bank of Kansas City, Mo., and sent it to that bank for collection. What was done with the check after that does not appear, except as it may be inferred from the fact that it was received by the First National Bank of Port Chester (on which bank it was drawn) on the 14th of June, where it was protested, and marked "Payment stopped."

One of the issues tendered by the defendant's answer was that the plaintiff was not an innocent holder of the check for value. Upon the trial the plaintiff made out its case by introducing the check in evidence, and relying upon the presumptions in support of negotiable paper, together with the allegations and admissions of the answer. The defendant then introduced evidence bearing upon the breach of warranty or failure of consideration in the sale of the horses, and this was supplemented by reading from depositions issued to Hoffman and Waitt, who were officers of the plaintiff bank. From these depositions it appeared that at the time of the delivery of the check to the plaintiff the payees thereof did not have an account with the plaintiff bank, and that the check was indorsed by the payees to Hoffman, who at once indorsed and delivered it to the plaintiff. At this point we encounter some haziness in the testimony. Hoffman stated that the check was indorsed to him and he received the money from the bank. Waitt, the Cashier, testified that the plaintiff paid $600 for the check, but afterwards qualified this by saying that as Cashier he credited Hoffman's account with the amount of the check. Had the conflicting inferences which may be drawn from these equivocal statements been submitted to a jury, with proper instructions, the defendant would, of course, be bound by a decision against her, because it would have to be assumed that the plaintiff had become the actual owner of the check by purchase. The difficulty with the case is that the verdict was directed against the defendant, thus entitling her to the most favorable inferences to be drawn from the evidence. (Higgins vs. Eagleton, 155 N. Y. 466; Ladd vs. Aetna Ins. Co., 147 N. Y. 478, 484; Weil vs. D. D., E. B. & B. R. R. C. 119 N. Y. 147, 152.)

It is obvious that if the evidence would support the inference that the plaintiff did not buy the check, but simply gave Hoffman credit for the amount upon its books, then plaintiff is not a holder of the check in due course, within the "law merchant," as that term is now defined in the Negotiable Instruments Law, so as to render its title superior to the defenses which the drawer of the check may have against the payees. Under the Negotiable Instruments Law four elements must concur to constitute such a title: (1) The instrument must be complete and regular on its face; (2) the holder must receive it before it is overdue, and without notice that it has been previously dishonored, if that is the fact; (3) it must have been taken in good faith and for value; (4) it must have been taken without notice of any infirmity in the instrument or defect in the title of the person negotiating it. (Neg. Instruments Law, § 91, Laws 1897, p. 732, c. 612.)

If the plaintiff had not actually parted with value before it received notice of the dishonor of this check, it is apparent that at least one of these elements is lacking in the plaintiff's title. The authorities hold that the mere crediting to a depositor's account, on the books of a bank, of the amount of a check drawn upon another bank, where the depositor's account continues to be sufficient to pay the check in case it is dishonored, does not constitute the bank a holder in due course. (Albany County Bank vs. People's Co-Op. Ice Co., 92 App. Div. 47; Thompson vs. Sioux Falls Nat. Bank, 150 U. S. 231, 244;

Dykman vs. Northbridge, 80 Hun, 258; Central Nat. Bank vs. Valentine, 18 Hun, 417.)

The evidence upon this feature of the case is meagre and unsatisfactory, but we must take it as it is. Hoffman, the plaintiff's President, stated that he received the money on the check, but he did not fix any time. For aught that appears in the record, that may have been after the plaintiff had received notice of the dishonor of the check. Waitt, the plaintiff's Cashier, stated that the plaintiff had paid $600 for the check; but that is qualified by his later statement that he gave Hoffman credit for the amount upon the books of the bank.

The view of the evidence most favorable to the defendant would, we think, have justified a jury in finding that the amount of the check had simply been credited to Hoffman's account, and that no money was paid to him by the plaintiff upon the check before the latter had notice of its dishonor.

The judgments of the courts below should be reversed, and a new trial granted, with costs to abide the event.

Cullen, C. J., and Gray, O'Brien, Bartlett, Haight, and Vann, JJ., concur.

Judgments reversed, etc.

PROMISSORY NOTES—IRREGULAR INDORSER.

Supreme Court of Rhode Island, January 18, 1905.

DOWNEY *vs.* O'KEEFE.

Under the law of Rhode Island prior to the adoption of the Negotiable Instruments Law a person indorsing a note before its issue was liable to the payee as a joint maker.*

It is not material in such case whether the signature was placed upon the note before or after it came into the possession of the payee, if it is part of the agreement that the note shall be so indorsed.

In this action the plaintiff recovered a verdict in the common pleas division against Joseph O'Keefe, Dennis J. O'Connell, and Patrick D. McCann, executor of John McCann, on a promissory note of the following tenor: "Providence, March 10, 1899. $275. Six months after date we promise to pay to the order of Michael R. Downey Two hundred and seventy-five Dollars at his office No. 712 Banigan Building, with int. at 5% per month. Value received. Joseph O'Keefe, Dennis J. O'Connell." Upon the back was the signature "John McCann." John McCann has died since the commencement of the suit, and his executor has duly appeared.

Douglas, *J.*: It was shown in evidence that the note was signed by the makers and delivered to one Hart, the agent of the plaintiff, who took it to McCann and procured his indorsement. The executor, McCann, resists the suit, and prays for a new trial on the ground that his testator was a mere accommodation indorser and did not sign until after the delivery of the instrument.

The surviving parties do not seem to have a very clear recollection of the circumstances of this transaction. One of the defendants says that this note was given in renewal of a previous one on which McCann was indorser. If so, there can be no question that the surrender of the former note was sufficient consideration for the signatures upon this one. If it were an original transaction, however, which seems to accord best with the recollection of the other parties, it is well established by the circumstances, as well as by the weight of the testimony, that McCann's signature was appended in pursuance of an agreement between the parties, and was a condition of the credit given

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*By the Negotiable Instruments Law it is provided:

Where a person, not otherwise a party to an instrument, places thereon his signature in blank before delivery, he is liable as indorser in accordance with the following rules:

1. If the instrument is payable to the order of a third person, he is liable to the payee and to all subsequent parties.
2. If the instrument is payable to the order of the maker or drawer, or is payable to bearer, he is liable to all parties subsequent to the maker or drawer.
3. If he signs for the accommodation of the payee he is liable to all parties subsequent to the payee.

by the plaintiff. Therefore, although his agent took the paper in its incomplete form, he cannot be said to have accepted it until McCann's indorsement was affixed. Until then, the delivery was conditional.

It has been uniformly held in Rhode Island until the passage of the Negotiable Instruments Act (Pub. Laws 1898-99, p. 222, c. 674), which does not apply to instruments made before July 1, 1899, that one who indorses a note payable to another before its issue is liable to the payee as a joint maker. (Mathewson vs. Sprague, 1 R. I. 8; Carpenter, vs. McLaughlin, 12 R. I. 270; Sawyer vs. Brownell, 13 R. I. 141.)

It makes no difference whether the signature is actually indorsed upon the note before or after it comes to the possession of the payee, if it is part of the agreement that the note shall be so indorsed to be acceptable. (Moies vs. Bird, 11 Mass. 346; Hawkes vs. Phillips, 7 Gray, 284; Leonard vs. Wildes, 36 Me. 265; Samson vs. Thornton, 3 Metc. [Mass.] 275.)

The petition for a new trial is denied, and the case will be remanded to the common pleas division for judgment upon the verdict.

AGREEMENT OF BANK TO MAKE LOANS—WHEN NOT BINDING ON BANK.

Supreme Court of Georgia, January 27, 1905.

SWINDELL & CO. *VS.* FIRST NATIONAL BANK.

A contract between a bank and a lumber manufacturer, whereby the bank agreed to advance to him a certain sum of money, but the manufacturer was not bound to take the whole or any part of said sum unless he found it necessary in conducting his business, is unilateral, in that there was no binding obligation on the part of the manufacturer to borrow any definite sum of money and hence not binding upon the bank.

The First National Bank brought a suit against E. Swindell & Co., a partnership, to recover the amount due on certain promissory notes executed by that firm. The defendant filed a plea of recoupment, alleging, in brief, that the partnership was engaged in the manufacture of lumber, and required a large amount of money with which to conduct its business; that the partnership entered into a contract with the bank, whereby it was to advance to the firm $20,000, as called for from time to time, in order that it might carry on its business successfully, the firm being induced by the bank to sever its financial relations with another banking institution and to get its advances from the plaintiff bank; that the bank did advance the money for which the notes sued on were given, but later, without cause or excuse, committed a breach of the contract by refusing to advance any further sums of money to the partnership, and that by reason of such breach the firm had been unable to profitably conduct its business, and had been damaged in the sum of $10,000.

On the trial of the case the defendant admitted the execution of the notes, and assumed the burden of proof. Evidence was introduced to the effect that an arrangement had been made with the bank whereby it was to advance money to the partnership to enable it to carry on its milling operations; but it affirmatively appeared from the testimony that the partnership was "to take $20,000, if necessary, to run [its] business," but not otherwise, and "more, if necessary, to the amount of $30,000," it being optional with the firm whether it would "take the $20,000 or not." The plaintiff denied entering into any such contract, and introduced evidence tending to show that it had merely advanced money to the defendant partnership on particular occasions, in the same way as it had done to other customers, relying on Swindell & Co. to reimburse it when remittances for shipments of lumber were received by that firm. The jury returned a verdict in favor of the plaintiff, and the defendant filed a motion for a new trial, and to the overruling of this motion the defendant excepted.

EVANS, *J.* (omitting part of the opinion): An essential requisite of a contract dependent on mutual promises for a consideration is that the obligations imposed should be reciprocal. One promise must need be the complement of the other. The performance of the promise or agreement to perform by one party enjoins a duty on the opposite party to execute his reciprocal obli-

gation. If the contract be such that performance by one of the parties of his promise does not confer the right to demand the correlative obligation from the other it is lacking in mutuality.

The contract between the bank and the plaintiff in error, as averred in the plea of recoupment, was mutual and binding. By its terms the bank agreed to loan, within the lumber season, $20,000, and the plaintiff in error agreed to borrow that sum. However, when the plaintiff in error undertook at the trial to establish the contract set out in this plea, the testimony offered failed in a vital particular. The member of the firm who claimed to have made the contract with the bank was the only witness offered to prove it. This witness testified that the bank agreed to loan $20,000 to his firm, but his firm was not to borrow the money unless its business necessities required it. In the course of his testimony he said:

"We were to take $20,000, if necessary, to run our business; we were not to take it if not necessary; more, if necessary, to the amount of $30,000. It was with us whether we were to take the $20,000 or not."

The contention of the plaintiff in error, as proven by this witness, might be elaborated after this manner: "We are not bound to borrow any money unless we need it, but the bank must keep in reserve the necessary funds to meet the demands of our business, up to the amount of $20,000. If we do not happen to need it, we are under no obligation to borrow, and the bank cannot expect any remuneration for maintaining a state of readiness to meet possible sudden demands for money; yet, if the demand is made, and the money is not loaned, the bank is liable to us in damages for a failure to make the exacted loan."

A contract of this kind is manifestly unilateral, without consideration, and incapable of enforcement. (McCaw Manufacturing Co. vs. Felder, 115 Ga. 408, 41 S. E. 664, and authorities cited.)

AGREEMENT BY PRESIDENT OF BANK THAT MAKER OR INDORSER WILL NOT BE REQUIRED TO PAY—ADVERSE INTEREST OF OFFICER—WHEN KNOWLEDGE OF BANK OFFICER DOES NOT BIND THE BANK.

New York Supreme Court, Appellate Division, Fourth Department, January, 1905.

BANK OF LE ROY *vs.* PURDY.

An agreement made by an officer of a bank, who is authorized to discount or purchase commercial paper, that the maker or indorser of such paper will not be required to pay or be held liable as maker or indorser of the same, is a valid agreement, binding upon the bank, and relieves the maker or indorser from all liability in respect to such paper.

This rule, however, is subject to the qualification that an officer of a bank cannot bind the bank by an agreement adverse to its interests made with another party, when such party and officer are at the time such agreement was made engaged in serving their own interests or the interests of another corporation in which they are jointly interested and where the sole purpose of the agreement is to benefit themselves or the corporation in which they are interested.

The knowledge obtained by the officer of the bank under such circumstances cannot be imputed to the bank for the purpose of establishing a defense to obligations assumed by the other party to such agreement.

Accordingly, where the President of a bank, who was also a stockholder, director and officer of an electric company, when engaged with another stockholder, director and the president of the electric company in an effort to raise money for the electric company, agrees, without the knowledge of the other officers of the bank, that if such other stockholder, director and officer of the electric company would make a note for the accommodation of the electric company, the bank would discount the note and would take care of it at maturity and hold the maker harmless on account thereof, such promise by the President of the bank is not a defense to an action brought by the bank against the maker of the note to recover thereon.

Butler Ward was President of the plaintiff bank, and was also a stockholder, director, vice-president and treasurer of the defendant, the Le Roy Gas and Electric Company. The defendant Purdy was also a stockholder and director of said electric company, and its president. On February 26, 1901,

Purdy made his promissory note, as follows: "On or before three months after date, for value received, I promise to pay to the order of myself, Two thousand eight hundred and fifty dollars, at the Bank of Le Roy, with interest. S. D. Purdy." Indorsed: "Pay to Le Roy Gas & Electric Co. or order. S. D. Purdy. R. L. Kinsey, Secretary."

The defendant Purdy also made his other promissory note as follows: "Le Roy, N. Y., March 4, 1901. On or before three months after date, for value received, I promise to pay to the order of myself, One thousand fifty dollars, at the Bank of LeRoy, with interest. S. D. Purdy." Indorsed: "Pay Le Roy Gas and Electric Co. or order. S. D. Purdy. Le Roy Gas and Electric Company, B. Ward, Treas."

These notes were given in renewal of other similar notes held by the plaintiff, were discounted by it, the proceeds placed to the credit of the electric company and by it used in the regular course of its business. The original and renewal notes were made and delivered for the accommodation of the electric company, which at the time was in need of funds. Neither Ward nor Purdy received any individual benefit therefrom. Such notes were all made and delivered by the defendant Purdy upon the express promise and assurance of Ward, plaintiff's president, that if he, Purdy, would sign said notes the plaintiff would discount them for the benefit of the said Le Roy Gas and Electric Company, and that he, said Purdy, would never be called upon to pay said notes; that the plaintiff would take care of them and hold him harmless on account thereof. The notes were made and delivered by Purdy in pursuance of such agreement and promise. When such agreement was made Ward was in the office of the electric company engaged in and about its business, was engaged with Purdy in devising means to raise money for the electric company, of which they both were stockholders, directors and officers. The directors and officers of the plaintiff other than its President, Ward, had no knowledge of the agreement or promise which he had made; so far as they were concerned the notes were discounted in the ordinary and usual course of business.

McLennan, *P. J.*: We think the agreement which was made by Ward, plaintiff's President, and the knowledge which he had in respect to the notes in suit, did not constitute a defense to Purdy's liability as maker of such notes. It has been repeatedly held by the courts of this State that an agreement made by an officer of a bank, who is authorized to discount or purchase commercial paper, that the maker or indorser of such paper will not be required to pay or be held liable as maker or indorser of the same, is a valid agreement, binding upon the bank, and relieves the obligor from all liability in respect to such paper. (Persons vs. Hawkins, 41 App. Div. 171; Simmons vs. Thompson, 29 id. 559; Higgins vs. Ridgway, 153 N. Y. 130.)

In the last case cited the rule is stated in the head-note as follows: "It is a defense to the enforcement of a promissory note against the maker by the party to whom he delivered it, that the note was without consideration and was delivered upon the condition that the maker should not be liable thereon."

Such rule, however, cannot be invoked by the appellant for the reason that the agreement in question was made by Ward when he was acting in the interest of the electric company; the agreement inured to its benefit and was in no manner beneficial to the bank; this was known to the defendant Purdy; he also knew that the plaintiff's President was jointly interested in the electric company, in raising funds for it, and that their interests were antagonistic to the plaintiff, and he knew, or ought to have known, that while thus acting for himself and for his own benefit, or for their joint benefit, Ward could not act as agent for the bank and adversely to it. Such is the law.

In Claflin vs. Farmers and Citizens' Bank (25 N. Y. 293) the court said: "It is a well-settled rule of the law of agency, to which I apprehend there is no exception, that no person can act as the agent of both parties to a contract; * * * nor can he act as agent in regard to a contract in which he has any interest, or to which he is a party on the side opposite to his principal." (See, also, Manhattan Life Ins. Co. vs.

Forty-second Street and G. S. F. R. R. Co., 139 N. Y. 146; Bank of New York N. B. Assn. vs. American Dock and Trust Co., 143 id. 559.)

We think the rule may be stated to be: An officer of a bank cannot bind the bank by an agreement adverse to its interests made with another party, when such party and officer are at the time such agreement was made engaged in serving their own interests or the interests of another corporation in which they are jointly interested, and where the sole purpose of the agreement is to benefit themselves or the corporation or company in which they are interested. Neither can the knowledge obtained by such officer under such circumstances and while so acting be imputed to the bank for the purpose of establishing a defense to an obligation assumed by the other party to such agreement.

The facts in the case of Allen vs. First National Bank (127 Penn. St. 51) are very similar to those in the case at bar, and it was held that an agreement like the one being considered was not available as a defense to the indorser of a note. It was said in substance in that case that as the Cashier, the officer who assumed to make the agreement for the bank, was a member of the firm whose note was delivered, he could not act in the double capacity of agent for the bank and for the firm of which he was a member respecting a transaction where their interests were adverse.

In the case of Innerarity vs. Merchants' National Bank (139 Mass. 332) the court said: "The proposition, that a director of a corporation, acting avowedly for himself or on behalf of another with whom he is interested in any transaction, cannot be treated as the agent of the corporation therein, is well sustained by authority."

The doctrine contended for by the appellant would be an inducement to fraud and breach of trust. If a President or other officer of a bank may loan its funds to a corporation in which he and another are interested, receive the obligation of such other party to secure such loan and then make a valid agreement that such obligation will never be enforced, the way is clear for the perpetration of greater, or at least a different kind of, fraud by bank officers than has yet been sanctioned by the courts. The maker or indorser of a promissory note who delivers it to a bank for the purpose of having it discounted and the proceeds placed to the credit of a corporation or company of which he and the President of the bank are stockholders, directors and officers, should understand that any agreement, no matter what its form or language, made by the President of the bank, which assumes to relieve him from liability as maker or indorser, is void and constitutes no defense to such obligation.

The judgment appealed from should be affirmed, with costs.

PROMISSORY NOTE PAYABLE ON DEMAND—REASONABLE TIME FOR PRESENTMENT—BURDEN OF PROOF.

New York Supreme Court, Appellate Division, First Department, December, 1904.

GERMAN-AMERICAN BANK *vs.* MILLS.

In an action brought against the indorser on a promissory note made payable on demand, the question whether the note was presented for payment within a reasonable time, as required by section 131 of the Negotiable Instruments Law, is one of fact to be determined by the circumstances of the particular case.

The statutory requirement that such a note shall be presented for payment within a reasonable time is in the nature of a statute of limitations, and the burden is upon a person claiming that it was not presented within a reasonable time to plead that fact and prove it upon the trial; if he neglects to do so, he will be deemed to have waived the defense.

The defendant H. P. Mills made and executed his promissory note, bearing date March 4, 1903, whereby on demand to the order of the defendant Charles W. Mayer he promised to pay the sum of $5,203.95. After the execution and delivery of the note Mayer duly indorsed the same to the plaintiff for value and it became the owner and holder thereof. On July 10, 1903, four months and six days after the date of the note, the

plaintiff caused the same to be duly presented for payment and payment thereof was refused and the same was thereupon duly protested for non-payment and a notice of protest was sent to the indorser by mail, directed to him at his last known place of residence. The maker of the note made default. The defendant Mayer by answer put in issue the proper presentation of the note for payment and the proper protest of the same for non-payment and he denied that that he received notice of the demand and non-payment as set forth in the complaint. It also put in issue the amount of the protest fees.

HATCH, *J.*: By the answer the note was admitted to be a valid instrument and the only substantial defense interposed was the sufficiency of the demand of payment and of the protest to charge the indorser. Upon the trial the plaintiff introduced in evidence the note, the certificate of a notary public, bearing date July 10, 1903, which showed its presentation for payment, the non-payment thereof and the mailing of notice of the same to the defendant Mayer, the amount due thereunder and then rested. The defendant Mayer objected to the admission in evidence of the notary's certificate upon the ground that it was mailed to the indorser and not served upon him personally and that there was no evidence showing that it had been mailed to the proper place. The defendant Mayer also moved for a dismissal of the complaint upon the grounds that the note had not been presented within a reasonable time and that the proof was insufficient to charge him with notice of protest for non-payment as an indorser. This motion was denied and the defendant rested. Upon motion of the plaintiff the court directed a verdict against the defendant for the full amount secured to be paid by the note, with interest. No affidavit was filed by the defendant Mayer with his pleading or within ten days after joinder of issue to the effect that he had not received notice of the non-payment of the note; consequently the certificate of the notary and its service upon the indorser were deemed to have been made. (Code Civ. Proc. § 923.) The notice served was sufficient to charge the indorser. (McLean vs. Ryan, 36 App. Div. 281; Affd. on appeal, 165 N. Y. 620.)

The main contention of the appellant upon this appeal relates not so much to these questions as it does to the question as to whether the note can be enforced, for the reason that it was not presented within a reasonable time. By the provisions of section 131 of the Negotiable Instruments Law (Laws of 1897, chap. 612) a note payable on demand is required to be presented for payment within a reasonable time after its issue, and the defendant contends that four months and six days, in the absence of any explanatory evidence, is as matter of law an unreasonable lapse of time, which has the effect of discharging him as an indorser.

The provisions of the Negotiable Instruments Law do not assume to define the limitations of a reasonable time within which a note payable upon demand shall be presented and authority upon the subject is equally indefinite. It was said by Chief Judge Parker in German-American Bank vs. Atwater (165 N. Y. 36): "What is a reasonable time cannot always be measured by months; indeed, an investigation of a limited number of authorities discloses that as short a period as three months and as long a one as twenty-one months has been held to be within reasonable time, depending upon the special facts of each case." The combined provisions, therefore, of statute and authority seem to leave the question of reasonable time as one of fact, to be determined by the circumstances of the particular case. The question at once arises, however, upon whom devolves the burden of showing that the note was not presented within a reasonable time. In effect section 131 of the Negotiable Instruments Law creates a statute of limitation. Indefinite as to time it is true, but, nevertheless, imposing a duty upon the holder of a note payable upon demand to present it within a reasonable time. When not so presented payment may not be enforced, not for the reason that the debt is not due and existing, but because the holder has allowed the bar of a statute to intervene to prevent a recovery; consequently, in making disposition of this question, we are to consider it as being analogous to other statutes of limitation. It has long been settled that in cases of this character, where the statute of limitations is relied

upon as a bar to the enforcement of the cause of action, in order to be available it must be pleaded as a defense, and if not so pleaded, the defendant is deemed to have waived its benefits. It would seem to follow, therefore, that when a note payable on demand is presented for payment, such presentation is presumptively within a reasonable time after its execution and delivery, and the person sought to be charged with its payment is required, in order to raise the issue that its presentation was delayed for an unreasonable time, to plead such matter as a defense and prove the same upon the trial, otherwise he should be deemed to have waived the benefits with which section 131 of the Negotiable Instruments Law has sought to invest him. There may be such circumstances surrounding the entire transaction as to indicate that presentation has been unreasonably delayed, and which may appear upon the face of the proceedings, but in such case we see no reason why it does not devolve upon the defendant to plead such matter in defense or else be deemed to have waived the provisions of the statute. Where the circumstances thus show an unreasonable delay the defense interposed would be established thereby. In all other cases he would be required not only to plead, but to establish his plea by affirmative proof. Such a defense admits non-payment and seeks by way of avoidance to be acquitted of the obligation to pay, and under our system of pleading such defense, save in exceptional cases, not applicable to cases of this character, has always been required to be pleaded and proved.

As the contract requiring the payment of money stands admitted, it is quite competent for a defendant to decline to avail himself of technical objections in avoidance of his assumed obligation. This rule is in harmony with that which ordinarily applies in cases where technical defenses are invoked, and we see no reason why in principle the defense that an unreasonable time has elapsed between the execution and delivery of a promissory note, payable on demand, and a demand for payment should not be devolved upon the defendant, and in order to make the defense available he should be required to plead and prove it. In the present case the defendant has failed either to plead or prove that the presentation for payment was unreasonably delayed. As the facts are undisputed, judgment for the amount of the note, with interest, was properly directed.

The judgment should, therefore, be affirmed, with costs.

COLLECTIONS—DRAFT—WHEN BANK HOLDS FOR VALUE.

New York Supreme Court, Appellate Division, First Department.

BANK OF AMERICA *vs.* JOHN H. WAYDELL, *et al.*

Where a draft was sent to agents for collection who were depositors of the plaintiff bank and deposited with the plaintiff solely for collection, the plaintiff having knowledge of the relation of their depositors to the draft, and plaintiff did not make advances or otherwise part with value upon the faith of the transaction, but afterwards assumed to apply the amount of the draft upon an indebtedness due to it from the depositors, Held, that the plaintiff had acquired no title to the draft and could not recover for the same against the acceptors.

The Negotiable Instruments Law has not changed the rule in this respect.

HATCH, *J.*: The complaint avers that on August 11, 1900, at the City of Detroit, in the State of Michigan, for value received, the firm of J. F. Hasty & Sons made their draft or bill of exchange, dated on that day, whereby they directed the defendants to pay to the order of A. Ives & Sons, sixty days after the date of said draft, the sum of $1,500, and to charge the same to the account of J. F. Hasty & Sons; that thereafter the said firm of A. Ives & Sons, for value received, indorsed the draft and delivered it to the plaintiff, who then became, and now is, the lawful owner and holder thereof; that the said draft was duly presented to the defendants herein for acceptance and the defendants duly accepted the same by writing across the face thereof the following: "Accepted—Payable at the New York Produce Exchange Bank—$1,500.00—Due October 10, 1900—Fifteen hundred dollars —No. 15," and signed said acceptance in their firm name of Waydell &

Company. That on October 10, 1900, the day the said draft became due, it was duly presented for payment and payment was refused, whereupon the same was duly protested for non-payment, all of which presentment, demand, refusal, non-payment and protest the defendant had due notice.

The complaint demanded judgment for the face of the draft, together with interest and protest fees. The defendants by way of an affirmative defense averred that the said draft was delivered to Ives & Sons for the purpose of collection only, and that Ives & Sons delivered it to the plaintiffs without value and solely for the purpose of collecting the same; that the plaintiffs never became the owners and holders thereof, and that the plaintiffs were also notified before said draft became payable; that Ives & Sons never were the owners and holders thereof, and that they held the said draft solely as agents of J. F. Hasty & Sons for the purpose of collection. Upon the trial it was conceded by the defendants that they accepted payment of the draft; that it was presented for payment at the place where payment was due, and payment demanded and refused, and that the draft was duly protested. The defendants then proved that the draft was given to Ives & Sons for the purpose of collection only; that they paid nothing therefor, and that for the purpose of having said draft collected Ives & Sons indorsed the same and sent it to these plaintiffs inclosed with the following letter, addressed to plaintiff's Cashier: "* * * We inclose for collection and credit Waydell & Co., $1,500. No protest for non-acceptance. Yours truly, A. Ives & Sons."

It further appeared that Ives & Sons had had a deposit account with the plaintiffs for many years, and that the words "We inclose for collection and credit" meant that when collected the proceeds of the draft were to be placed to the credit of Ives & Sons. Before the said draft became due, and on September 10, 1900, Ives & Sons went into bankruptcy. On September 4, Ives & Sons were indebted to the plaintiffs in the sum of $7,500 upon a collateral note, given to secure a loan of $25,000, in which note, among other things, Ives & Sons agreed, and they "hereby give, to the said bank a lien for the amount of all the liability aforesaid upon all the property or securities at any time given unto or left in the possession of the said bank by the undersigned, and also upon any balance of the deposit account of the undersigned with the said bank. * * * The undersigned do hereby further authorize the said bank at its option, at any time, to appropriate and apply to the payment of any of the said liabilities, whether now existing or hereafter contracted, any and all moneys now or hereafter in the hands of the said bank on deposit, or otherwise, to the credit of or belonging to the undersigned, whether the said liabilities are then due or not due." On September 4, 1900, Ives & Sons had a credit balance in the plaintiff bank of $1,767.75. The bank on that day credited the collateral note account with the sum of $2,500, and charged the deposit account with the same sum, thereby reducing the collateral note account to $5,000, and creating an overdraft in the deposit account of $732.25. The amount of this overdraft was increased thereafter, and on said September 10, 1900, when Ives & Sons went into bankruptcy, it amounted to $1,796.10. The credit upon the collateral note and the charge to the deposit account were made without any direction from Ives & Sons. Before the draft became due, but after the bankruptcy of Ives & Sons, Hasty & Sons and Ives & Sons notified the plaintiff of the true state of affairs concerning the draft; that it was delivered to Ives & Sons by Hasty & Sons for collection, and Ives & Sons demanded that the bank immediately return the draft to them. Compliance with this demand was refused, it claiming that under its agreement with Ives & Sons it had a right to hold and to appropriate the proceeds of the draft in extinguishment of its claim against Ives & Sons. By this action it is sought to enforce by legal remedy the claim thus asserted.

We deem it to be settled law that the legal effect of the transaction between Ives & Sons and the plaintiff was to make the latter the agent of the former for the purpose of the collection of this draft. The notice which accompanied the draft established beyond question the authority and right under which the bank held the draft. That was to collect and credit the account of Ives & Sons with the proceeds of the draft when collected. The bank was authorized to present the draft to the drawees for acceptance.

Having done that act and procured the acceptance, it could take no further steps save to collect the draft when due, when it was authorized to credit the amount to Ives & Sons.

In Dickerson vs. Wason (47 N. Y., 439) the following rule was established: "Where persons in the business of banking and collecting send to their correspondents or agents, in the regular course of business of receiving and sending notes between them for collection for mutual account, business paper received from customers for collection, the agent or correspondent acquires no better title to it or to its proceeds than was owned by the one transmitting it, unless there is a bona fide purchase of it for value or advances made upon it in good faith, without notice of any defect in the title."

This rule is precise in its application to this case. Ives & Sons were not holders of the draft for value, but were mere agents for its collection. It was received by the bank, accompanied by a notice of the character of the title of Ives & Sons, and the bank in express terms was directed to collect and credit it. The bank's title was not higher than the title of Ives & Sons and of such title the bank had notice as matter of fact; in consequence of which its rights and obligations were measured by the title which it acquired.

The rule announced in the Dickerson case was reiterated and applied in Bank of Clarke Co. vs. Gilman (81 Hun, 486) by the General Term of this court, and the Court of Appeals (152 N. Y., 634) on the opinion below. That was an action brought to recover the proceeds of a check drawn upon the National Bank of the Republic of New York City by the plaintiff bank, located at Berryville, in the State of Virginia. It was indorsed: "For collection and credit of Bank of Clarke County. J. R. Nunn, Cashier." It was sent by the plaintiff to J. J. Nicholson & Sons, bankers, at Baltimore, without any special instruction or any previous agreement varying the legal effect of the indorsement. The latter indorsed it: "Collect for J. J. Nicholson & Sons," and sent it to the defendant Gilman. The latter, instead of presenting it for payment when received to the National Bank of the Republic, deposited it in the Manhattan Company and added the indorsement "for deposit in the Manhattan Company to the credit of Gilman, Son & Co." The next day the Manhattan Company presented the check to the National Bank of the Republic. It was paid and charged to the account of the maker on January 15. On January 14, J. J. Nicholson & Sons failed, and notice of the failure came to the defendant some time during the day. The plaintiff claimed to recover the proceeds of the check. The claim was upheld, and a recovery permitted upon the ground that Gilman, Son & Co. obtained no title to the check or its proceeds; that the indorsement upon the check was notice to all agents dealing with it of the purpose to be accomplished by it, to wit, the collection of the check and the remittance of the proceeds to the plaintiff. That the defendant was not entitled to credit the proceeds based upon an indebtedness of J. J. Nicholson & Sons to it, even though they were indebted to it at the time when the check came to their hands. The court also held that the power of revocation continually existed in the owner of the check; that he could follow it into any person's hands and recover the same or its proceeds as against any person, save he who was a bona fide purchaser for value or had made advances upon it in good faith without notice of any defect in the title.

In principle that case is decisive of the present question. As we have seen, the bank had notice of the limitation of Ives & Sons' title as it had notice that it was sent for collection and credit. The true owner of the draft was J. F. Hasty & Sons, and they had the right at any time prior to the collection of the money to revoke the authority to collect and demand a return of the draft. They exercised this right by demanding its return, and the refusal of the bank to comply with that demand operated in law as a conversion of the draft and subjected them to an action therefor in the right of the true owner.

It is claimed, however, by the appellant that two cases in the Court of Appeals announce a different doctrine. The first is Hutchinson vs. Man. Co. (152 N. Y., 250). Therein a draft was drawn by the Interstate Mortgage Trust Company of Greenfield, Massachusetts, on the Packard National Bank of the same place, payable to the order of G. H. Kaulback. This draft was

deposited with Patton & Co., a firm of brokers in the City of New York. When deposited it was indorsed: "Pay to the order of L. B. Hutchinson. G. H. Kaulback;" also "Pay W. L. Patton & Co., or order. L. B. Hutchinson." Patton & Co. deposited the draft with the Manhattan Company, adding the indorsement "for deposit to the credit of W. L. Patton & Co." In fact, the draft was delivered by Hutchinson to Patton & Co. for collection only. At the time of the deposit of the draft by the latter with the Manhattan Company it had no notice that Patton & Co. had received the same for collection, nor did it have any other notice than such as the indorsement thereon conveyed. The defendant bank forwarded the draft on May 4 to Massachusetts for collection. It was collected on May 5 and the proceeds remitted to the defendant bank, which received it on the next day. On May 5, Patton & Co. being insolvent, made a general assignment for the benefit of their creditors and filed it in the office of the Clerk of the City and County of New York at 3.16 o'clock of that afternoon. Patton & Co. were indebted to the defendant bank upon two promissory notes, and the bank, by virtue of a contract in all respects similar to the one held by the plaintiff in this case, acquired a lien upon all of the securities or money in its hands for the payment of such promissory notes. Hutchinson, who delivered the draft to Patton & Co., sought to recover its proceeds. His claim was defeated upon the ground that when the money was collected in Massachusetts it was received for and on account of the defendant bank, and that as such collection was made prior to the assignment by Patton & Co., the bank was authorized to receive and apply the money upon its indebtedness; that Hutchinson having indorsed the draft generally and the bank having no notice that it was for purposes of collection, either from the indorsements contained upon it or from any other source, it acquired title to the proceeds of the draft; that if Hutchinson desired to limit the rights of Patton & Co. he should have made his indorsement express the restricted sense in which the draft was delivered, and not having done so he had no claim upon the bank for its proceeds.

It is apparent from the discussion which was had in that case that had the defendant bank had notice of the limited character of Patton & Co.'s title, that it was delivered only for purposes of collection, the holding would have been in Hutchinson's favor. A clear distinction is made between such a case and the one which the court considered, and the effect of the decision is to bring it into harmony with the case of Bank of Clarke County vs. Gilman (supra).

The second case relied upon is that of Hatch vs. Nat. Bank (147 N. Y., 184). It is in principle the same, although its facts are somewhat different. Therein a firm of brokers had diverted certain securities which had been left with them upon deposit, pledging them for a loan. The lenders gave to the brokers a check which the brokers deposited with the defendant bank. The latter collected the same and deposited the proceeds thereof to the credit of the brokers. In an action brought by the owner of the securities to recover of the bank, it was held that they were not entitled to recover; that the check which was received and collected conveyed no notice of the transaction and that the bank was justified in receiving and acting upon its faith and credit the same as though it had been money brought by the brokers and deposited with it, and that this was so, even though the transaction could be traced. The court, however, in that case held that the owner might have followed and recovered the converted securities, or their avails, but as the bank had no notice or knowledge of the larcency of the securities, it was not chargeable with that wrongful act, but had the right to act upon the faith of the check.

These cases are all in harmony. The holding proceeds upon the theory that there was no notice, either upon the paper itself or otherwise, of the limited character of the ownership of the property in making the indorsement and delivering the paper. In this case there was, and this difference operated to protect the title of the true owner of the draft, in consequence of which the contract executed by Ives & Sons to the bank did not become operative upon this paper.

It is not necessary that we refer to all of the cases upon this subject cited and relied upon by the learned counsel for the appellant; in all of

them where the right of the bank has been upheld to apply the proceeds, it arose upon instruments due and payable upon presentation, in either checks or drafts, which currently pass as evidence of money. Nothing appeared therein which put the party upon notice. In the main they were general indorsements, carrying perfect title, and no knowledge of the limited title of the person making the transfer was brought home to the party or bank receiving it. The transactions thus assumed the form of dealing with instruments payable upon presentation without notice of any limitation or defect in the title. Under such circumstances the courts have supported the transaction in favor of the party dealing upon the faith of the instrument, mainly upon the ground that it was essential to protect such right in order to give stability to business methods, as a necessary element of commercial law. But where the transfer is restricted and accompanied by actual notice before anything of value has been parted with, or right secured, the same law protects the true owner of the paper, and he may intervene at any time and enforce his rights therein.

The existence of the indebtedness upon the part of A. S. Ives & Sons did not constitute the plaintiff a holder of the draft for value. It is conceded that such was the rule under the authority of Coddington vs. Bay (20 Johns., 637). The claim, however, is now made that section 51 of the Negotiable Instruments Law has changed the rule in this respect, and that such indebtedness made the bank a holder of this draft for value. Upon such proposition this court has decided otherwise (Sutherland vs. Mead, 80 App. Div., 103), and also the Second Department (Roseman vs. Mahony, 86 App. Div., 367).

It is not needful that we extend the discussion of this subject beyond that contained in the cases to which reference is made. In the present case nothing was discharged, nor did the bank have the power to make use of the draft prior to collection, either by crediting it to Ives & Sons or making application of it upon their indebtedness. The mere possession of it in their hands under this limited right could not constitute the indebtedness of Ives & Sons a valuable consideration so as to enable the bank to retain it as against the true owner. Until there is some discharge or dealing with the pre-existing indebtedness it cannot become a consideration for the retention or enforcement of commercial paper as against the true owner. But entirely outside of the Negotiable Instruments Law, it is apparent that under the general rules of commercial law the bank cannot in this instance be permitted to recover upon the paper as against the drawees of the draft, because all of the rights which it had as holder have been revoked by the owner of the draft. In no view of this case, therefore, is the plaintiff entitled to maintain this action.

The judgment should, therefore, be affirmed, with costs.

All concur.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B.A., LL.B., Barrister, Toronto.]

SET-OFF — BANK — WINDING UP — PROMISSORY NOTE MATURING AFTER ORDER—SET-OFF OF DEPOSIT TO CREDIT OF INDORSER—NOTE MADE BY MUNICIPAL OFFICERS FOR MUNICIPAL PURPOSES—PERSONAL LIABILITY—SET-OFF OF DEPOSIT TO CREDIT OF MUNICIPALITY.

KENT vs. MUNROE (8 Ontario Law Reports, page 723).

This action was brought against the defendants by the liquidators of the insolvent Banque Ville Marie to recover the sum of $303.05 due on a promissory note signed by them in the manner set out in the judgment.

JUDGMENT (ANGLIN, J.): The municipality of Roxborough did its banking business with the Avonmore branch of La Banque Ville Marie, the municipal funds being deposited to the credit of an account entitled "Alex. Munroe, treasurer of Roxborough, Moose Creek."

By by-law No. 10, passed April 20, 1899, the municipal council of Rox-

borough purported to authorize the treasurer and reeve "to borrow from the Ville Marie Bank such money as he required for present use in connection with the drainage works to be completed on the Fraser Creek." Money being immediately required for preliminary survey work, the note in question was discounted with the Avonmore branch April 24, and its proceeds, $325, placed to the credit of the account above mentioned. In this account the municipality had at the time a balance of about $1,000.

The explanation given of the borrowing of money in such circumstances is that this $1,000 was held in part to cover a road appropriation, and would be required for that purpose and for current expenditure during the interval which must elapse before the annual taxes would in the ordinary course come in, and if a portion of that money were used for the drainage work, money would have to be borrowed later for the road work or for current expenses. The $325 appears to have been paid out April 27 for survey work on the Fraser creek drainage scheme. The notice of presentation of the petition to wind up the bank was given August 9, and the winding-up order was made August 10, 1899. The balance then standing to the credit of the Alexander Munroe account was $823.23. The note in question matured August 24, 1899, and was duly protested for non-payment. Three dividends of five per cent. each have been declared by the liquidators with the approval of the Court, on June 20, 1900, March 4, 1901, and April 24, 1902, respectively. Upon the account of the township in the name of Munroe, the three dividends amounted to $123.48, which is still in the hands of the liquidator. The defendant Munroe does not appear to have had any personal account with the bank. The defendant McDiarmid, however, had such an account. It is in evidence that the liquidator holds a sum of $82.25, representing the three dividends upon an account standing in his name, the balance to the credit of which at the date of the suspension, by an admission of counsel obtained at my instance since the trial, appears to have been the sum of $548.34. To these moneys it is admitted that McDiarmid is beneficially entitled.

The evidence of Mr. Smith, who was Manager of the Avonmore branch of the bank in 1899, is in effect that the loan on the note in question was regarded by him as a loan to the municipal corporation; that the defendants affixed their signatures to the note in their official capacities and solely to evidence the liability of the municipal corporation; that there was no idea or intention of either Munroe or McDiarmid incurring any personal liability; and that the proceeds of the note were passed to the credit of what was deemed the township account. Messrs. Munroe and McDiarmid gave evidence to the same effect, and there is no evidence to the contrary. There can be no doubt that such was the true position of this matter, and, had there been no suspension of the bank, had matters gone on as usual, in the ordinary course of events this note at maturity would have been charged up by the bank to the account of the municipality, standing in Munroe's name, and of this the municipality would not have been in a position to complain. But the bank having gone into liquidation, it is now sought to treat the liability upon this note as a personal debt of the reeve and treasurer (though the municipality, through its counsel at the trial of this action, expressed its willingness to recognize the obligation as its own), principally for the purpose of defeating a right asserted on behalf of the defendants to set off pro tanto, against the claim of the liquidators upon the note, the balance standing to the credit of the municipality in the name of Munroe. Upon the record no right of set-off is claimed in respect of the balance which stood to the credit of the defendant McDiarmid.

For the plaintiffs Mr. Leitch contended:

1st. That, the only purpose for which the municipality can borrow on promissory note of its reeve and treasurer being to meet current expenditure pending collection of taxes, as authorized by sec. 435 of the Municipal Act, this loan cannot be the debt of the municipality, and, therefore, must be that of the defendants personally.

2nd. As signators to the note—the additions of their respective offices being merely descriptive—the defendants are personally liable upon it.

3rd. That the liability upon the note being personal to the defendants, there can be no set-off of the moneys of the municipality held on deposit by the bank in the Munroe account.

4th. That the fact of the note having matured after the bank had gone into liquidation is an answer to any claim of set-off.

The borrowing of money in the manner and for the purpose for which it was borrowed is apparently not authorized by the Municipal Act. But, if sued upon the consideration, the municipality would probably have great difficulty in maintaining a defence; yet their liability for money lent, if found, would not suffice to relieve the defendants from personal liability on the note. Is there such personal liability?

The stringent rule excluding parol testimony of intention upon questions of construction applies, and precludes my giving effect to the very clear evidence of the real purpose with which this note was drawn, by holding it to be what the parties thought it rather than what in fact it is.

Neither is the way open to order any rectification of the instrument to make it to conform to what was clearly the intent of all parties. Mutual mistake is fully made out. The parties used a form the legal effect of which they misunderstood. The obstacle to reformation presented by the fact that this was a mistake of law, formidable though it be, might perhaps, in view of the "unquestionable and flagrant" character of the mistake, be overcome. But a difficulty, which is, I fear, insurmountable, arises from the fact that a rectification of this note so as to constitute it an obligation of the municipality, would in fact make of it a new contract, and that of a body not a party to the instrument being dealt with and not liable upon it. Nor is any such relief sought.

I am, therefore, constrained to find that the defendants are personally liable upon the note. Notwithstanding the circumstances of this case, in which there is inherently a persuasive equity to set off one against the other, because the liability on the note and the credit upon the deposit may be regarded as "substantially but the different sides of the same transaction," I agree that the indebtedness of the bank for moneys of the municipality, which it held to the credit of the Munroe account, cannot be set off against the personal liability of these defendants upon the note in suit.

No such difficulty exists, however, in regard to the balance of $548.34 which stood to the credit of the defendant McDiarmid. Though no set-off in respect of this deposit is claimed in the statement of defence, in order, if possible, to work out a measure of substantial justice to the defendants, I shall, without any hesitation, propria sponte, allow any amendment of pleading proper to raise this defence. It, therefore, becomes necessary to deal with Mr. Leitch's contention that, because the note in suit matured after the bank had gone into liquidation, no set-off can be claimed against it in respect of a balance standing to the credit of the deposit account of a party sued by the liquidator upon such note.

This promissory note was at the time of the commencement of the winding-up a claim in accruing due to the bank, debitum in presenti, solvendum in futuro, at all events as to the liability of the maker. In a proceeding upon that claim—if the business of the bank were not being wound up—the right of the depositor when sued on the note to claim set-off would be indisputable under English law. The statute in terms preserves that right in cases to which it applies. "The right of set-off depends on the existence of a debt due to the defendant, and the fact of his debtor being a bankrupt does not prevent the set-off arising, though it prevents his obtaining in the bankruptcy more than his share of the assets; the whole debt is still in existence."

If the immaturity, at the time of insolvency, of the claim upon which the defendant asserts his right to set-off does not preclude such a claim, a fortiori the like immaturity of the liability upon which he is sued should not prevent his setting up this defence when action is brought against him. The Lords Justices point out that in regard to set-off the rights of the parties are to be determined upon the respective positions of their mutual debts at the time action is brought.

But it may be argued that the liability of the indorser, because conditional upon non-payment by the maker at maturity and the giving of due notice of dishonor, was not, at the time of the commencement of the winding-up, a debt due or accruing due to the bank within the meaning of sec. 57 of the Winding-up Act, and that, therefore, the indorser when sued has no right to set-off. Though perhaps the inchoate liability of an indorser before maturity

is not within the language of sec. 57, I decline to construe that section as so exhaustive and so prohibitive of all claims of set-off, which it does not in terms declare to exist, as to prevent this Court giving effect to a claim of set-off so eminently just and equitable as that which I propose to allow the defendant McDiarmid to set up in regard to the balance to the credit of his deposit account. His liability existed potentially at the time of the commencement of the winding-up; it does not arise out of any subsequent transaction, and the many authorities denying the right of set-off in such cases may on that ground be distinguished.

Upon the defendants exercising the privilege accorded to them of amending their defence, judgment may be entered allowing them the set-off which I have permitted them to plead, declaring the claim of the plaintiffs satisfied thereby, and the right of the defendant McDiarmid to rank upon the estate of the bank in the hands of the liquidators in respect of the balance of his claim upon his deposit account, and dismissing this action.

In view of the fact that the set-off to which I have given effect was not pleaded, and that to allow it an amendment is made without any request of the defendants at this late stage of the case, there will be no order as to the costs of this action.

Should the defendants not amend as indicated within one month, there must be judgment for the plaintiffs with costs.

MONEYS ON DEPOSIT—FORM OF DEPOSIT RECEIPT—SURVIVORSHIP.

HILL vs. HILL (8 Ontario Law Reports, page 710).

STATEMENT OF FACTS: This was an action brought by John R. Hill against the personal representative of his deceased father, for declaration that a certain bank deposit receipt and the moneys represented by it were the property of the plaintiff and formed no part of the estate of the deceased.

JUDGMENT (ANGLIN, *J.*): William Hill, deceased, owned $400 on deposit in the Bank of Ottawa to his credit. He procured from the bank a deposit receipt for this amount, "payable to William Hill, Sr. and John R. Hill, his son, or either, or the survivor." The understanding between William Hill and his son was, that the money should remain subject to the father's control and disposition while living, and that whatever should be left at his death should then belong to the son. The father's request to the bank Manager, upon which the deposit receipt issued, was "to fix money so that his son John would get it when he was done with." He told John himself that he wanted him to get the money when he (the father) was gone. He retained the deposit receipt intact in his own possession, and it was found amongst his papers at the time of his death. These facts are deposed to by the son John, who is now suing his father's personal representative for a declaration that the deposit receipt and the moneys represented by it are his property, and do not form part of the estate of his deceased father.

But, upon the plaintiff's own evidence, I find myself driven to the conclusion that the purpose of William Hill, deceased, was by this means to make a gift to his son, the plaintiff, in its nature testamentary. As such it could only be made effectually by an instrument duly executed as a will. The father retaining exclusive control and disposing power over the $400 during his lifetime, the rights of the son were intended to arise only upon and after his father's death. This is, in substance and in fact, a testamentary disposition of the money, and, as such, ineffectual.

Neither can I regard the receipt as equivalent to a voluntary settlement, reserving to the settler a life interest with a power of revocation.

I am, therefore, obliged to dismiss this action.

A PRACTICAL TREATISE ON BANKING AND COMMERCE.

THE INTERNAL ECONOMY OF A JOINT STOCK BANK.

In every banking office, be it large or small, the work will be divided into two main departments—the handling of money and the keeping of accounts, each of these, in a large office, having various subdivisions. Above and beyond these is the department of management, whether of a single office, or the whole bank. Let us consider each of these in order.

THE TELLER.

The first persons with whom a banker has to do when he opens an office are those who bring money to deposit. It is for the purpose of receiving them, that he must have a *counter*. This counter, as has been shown, is the original bank, behind which the banker or his officers stand and on which money is placed to be *counted*. Hence its name. A person who stands at this counter ready to receive or pay money is called in England a Cashier, meaning a person who handles cash. In Scotland, the United States, and Canada, this officer is called a Teller, or a person who *tells* or *counts* out the money he handles. In a small branch the Manager himself often performs this office; but when the business is enlarged, the work must be delegated to another. The amount passing through the hands of such an officer in the course of a day is very large, and he is responsible for it to the last penny, or the last cent. Such a man must have a good head for figures, quickness of fingers, be able to count rapidly all sorts of money, and also to make rapid calculations. A slow man, no matter how correctly he may do his work, will never answer for this post. He will only waste the time of customers, and irritate them. A good teller must have a quick eye, so as to be able to tell a bad coin or a forged note or draft, the moment he sees it. An expert teller will come to have a sort of instinct about such things, and be able to detect a bad coin, or a bad bill, or raised draft, by instant eyesight. Besides this, he must be able to keep cool on busy days, and learn not to be flurried when many are waiting about the counter, or are unreasonable in their requirements, as some people are at times.* If he does get flurried, he will be sure to lose money. He should have a large development of civility; if it be not natural to him, he should cultivate it.

A good teller, besides being quick and cool, will also be observant; and being so, may notice many things in his intercourse with customers and the public which are worth communicating to the Manager. In a large bank a division is customarily made between the duties of those who receive money and those who pay it out. In both of these, however, the observant mind, the quick eye, and the skilful fingers are equally necessary.

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* In some English banks a practice prevails of providing an ante-room and only admitting into the banking office as many persons at a time as there are tellers to wait upon them. Thus there is never a crowd about the counter, and the teller has only one person to attend to at a time. To carry out this practice, however, different arrangements are required from those in a Canadian bank, where customers have direct access to a ledger keeper or a discount or collection clerk. On the whole, the Canadian arrangement is preferable, though it requires much more coolness on the part of a teller than the other. An English Cashier or Scotch teller almost invariably stands at an open counter. On this side the Atlantic, he is protected by a railing.

In the banks of the United States, the Senior Teller has the responsibility of certifying checks to be good—a difficult function to perform, as may be supposed, seeing that the teller does not keep the accounts himself, and must trust largely to his memory. This officer in an American bank is entrusted with a certain discretion in the matter of certification. He is always a man of experience, and his position is next to that of Manager or Cashier.

The Ledger Keeper.

In the natural order of things, the next person with whom a bank customer has to do, is the person who keeps the ledger containing the customers' accounts. The connection between him and the teller is necessarily close, and it is important that the money paid in or taken out by a customer should be speedily entered, so that on a busy day of many transactions the account may be accurately stated at any hour. Otherwise, there is danger of a check being refused when there are funds to meet it, or of a check being paid after all the funds have been drawn out. The ledger keeper, like the teller, must be both accurate and quick; but above all things accurate, as a mistake in the keeping of a customer's account may lead to an actual loss of money, or to the closing of the account itself. And like a teller he must have a quick eye to observe, for upon him rests the responsibility of discovering forgeries. To this officer in a Canadian bank all checks are presented to be "marked good" before being paid. But there is a difference in this matter between the custom prevailing in the United States and in Canada. The ledger keeper in Canada before he marks a check good, *debits the customer's account with it.* There is thus a scientific precision about the process. In an American bank, the check is simply certified to be good without the customer's account being debited with it, a practice which seems to open the door to serious abuse. This custom is analogous to that prevailing in many English banks. It is not good in theory, but it seems to work well in practice.

The ledger keeper, like the teller, if observant, may notice many things in the working of accounts that are worth communicating to the Manager, especially symptoms of exchanging checks, borrowing surreptitiously from another bank. He can also form an opinion as to whether a customer is easy financially or otherwise.

THE DISCOUNT AND LOAN DEPARTMENT.

In this important office a clerk has many opportunities of displaying more than ordinary intelligence if he is possessed of it. To a Discount Clerk is committed the responsibility of seeing that the bills he handles are in proper legal shape. The Manager considers whether or not the *names* on the bills are satisfactory, and if they ought to be discounted. But the discount clerk examines every bill to see that there has been no material alteration in it, that it is not dated on Sunday, that the signature and endorsement are in proper order, that it is complete, and not defective. He will also notice any peculiarity in the signature or endorsement, which would lead to a suspicion of fraud. A good discount clerk will notice how the account of a customer is working, whether favorably or otherwise, also whether renewals are frequent, and certain lines of paper tend to become chronic.

In the case of loans he will be expected to scrutinize the security, and to see that such documents as warehouse receipts, bills of lading, policies of insurance, etc., are in proper order. Loans on bonds and stocks, where the business is large, are generally under charge of a special clerk. His duties will be very similar to those of a discount clerk. Here again an observant clerk will notice much, in the actual handling of the business, which would be of interest to a Manager to know.

The duties of a *collection clerk* are of much the same character as a discount clerk, and call for no special remark. The same may be said of the exchange clerk. He deals with foreign bills as a discount clerk does with inland ones. And while a Manager determines whether the bills are to be bought or not, and fixes the rate, the exchange clerk will see whether

they are drawn in accordance with law, and whether the documents of security are in proper form.

THE ACCOUNTANT.

The highest officer in the ordinary working of a bank and coming immediately next to the Manager, is the Accountant. He keeps himself, or causes to be kept, the important book called the General Ledger in which the leading departments of the office are summarized. It is by an accurate keeping of this book that the Manager is made acquainted with the amount of the deposits, discounts, and cash, day by day, together with balances due from or to other banks or agencies. It is by information gathered from this book that he guides his course, very much as a navigator guides his ship. Summaries of the principal accounts are also laid before the meetings of the board and form the foundation of statements to be made to the Government. As a matter of mere bookkeeping this ledger is not difficult to keep., But to keep it accurately is of the highest possible importance, for it is a check upon and a key to all the other books of the bank. There is another book of high importance which should be kept by the accountant, or his assistant, viz., what is generally known as the Liability Ledger. In this book an account is opened with every discounting or borrowing customer, which account is debited with every bill discounted, and credited with every bill paid. The account shows whether a customer is keeping within the line alloted to him by the board, and also, what is of the highest importance, how much of each man's name (or each stock in case of stock loans) every customer has under discount. This book should be kept rather by the accountant than by the discount clerk. Its contents should be so familiar to the Manager, by examination or by summaries, that he may be said practically to know it off by heart. The accountant should always be a man who has passed through the grades, and understands the work of every other clerk in the bank. He has a supervisory control of the other clerks, and is responsible for the *discipline* of the office. He is able to instruct clerks in their duties, and to advise them in case of difficulty. He naturally takes the Manager's place in case of absence and is looked upon as eligible for promotion to a managership, should he display managing qualities when placed temporarily in charge.

But here must be inserted an important proviso. It is not every good bank officer who is fit to be a Manager. A man may be a first-rate teller, or even a first-class accountant, and yet not have the qualities that would make him a successful Manager. What these qualities are will appear later on; meanwhile, the foregoing will give a general idea of the leading divisions of work in a banking office. But they are susceptible of variations according to circumstances, and there must be many *subdivisions*, as the office increases in size. In the smaller branches, of which many exist in Great Britain and the colonies, the whole of the above duties will be performed by two, three, or four men, of whom the Manager is one. But as a branch, or individual bank as in the United States, increases in size, it is necessary to arrange matters so that the Manager shall have less and less time occupied with the routine work of the office, so as to concentrate his attention upon its discounts and loans and keeping a proper supply of money. Far better to have an extra clerk employed, at a cost of a few hundred dollars a year, than to allow the Manager's attention to be divided from matters by which the bank may lose thousands or tens of thousands.

One final remark. The various books and departments will be arranged so as to *check* each other. Especially should the bookkeeping department be a check upon the officers who handle money or its representatives.

The foregoing sketch is applicable solely to the single office of a bank. The general Manager's department, or as it is sometimes called the Head Office, calls for a different set of men altogether.

THE BRANCH MANAGER.

The Manager, as Mr. Gilbart well observes, in his practical treatise, is a *banker* and not a *bank clerk;* and there is somewhat of the same difference between the two as there is between a lawyer's clerk and a lawyer.

The Manager should be a man who understands the principles of the business, and especially the principles on which loaning and discounting should be conducted. He must have the aptitudes of a man of business; must have more or less of "*savoir faire;*" must know how to talk to different classes of people; in fact, he should understand human nature. It is he to whom customers apply for loans, and to him they explain their position, their means, and their difficulties. He must understand enough of business to judge whether their applications are reasonable or not; whether the amount is proportioned to the extent of the business; whether the security is good; whether the time is reasonable. And as his business proceeds, he must be able to judge whether a discount account is working properly; whether the class of bills offered is satisfactory; above all, he must have a keen eye to observe any signs of coming trouble, and courage to take measures accordingly. Yet he must be discreet, and not hasty in forming conclusions; otherwise, he may do serious mischief. An important part of a Manager's care is to see that the supply of money for his office is sufficient, so that he may meet the daily demands of customers and of other bankers, through the clearing-house or in course of exchange. If he is Manager of a branch, he has a Head Office to fall back upon for supplies, and a General Manager for orders or advice. But the daily duty presses upon him of seeing that his office is properly equipped for meeting demands. For this reason he will notice day by day the balances at his credit, in other banks or agencies.

A Manager will pay special attention to the manner his clerks perform their duties, and "keep them up to the mark" in that respect; encouraging or reproving as circumstances arise, or if necessary changing their positions, or recommending change. He will of course be often in communication with the accountant in regard to these matters, and will see that the accountant himself performs his duties properly.†

A good Manager will look after the past-due bills of his customers, and take them specially under his own charge.

This remark applies very particularly if any of his customers become insolvent. It will be his special care to see that the most is made of the estate, and that the rights of the bank are properly guarded in the matter of ranking upon it. If the bank of which he is Manager has no branches, other duties will devolve upon him: such, for example, as relate to his intercourse with the directors, and also to general administration. These, however, are fully treated in the chapter relating to the department of the General Manager.‡

DIRECTORS.

The general framework of a Joint-Stock Bank in Canada and in the United States, and in some respects also, but in a lesser degree, in Great Britain, is defined by Acts of Parliament or of Congress.

In Canada and the United States the law regulates the minimum of capital, the rights and functions of stockholders, and their voting power.

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† The Manager will of course understand the work of every man in the office, and should be able to do it if necessary. It will add immensely to his influence in the office if he is able to go to a clerk and say, "You are not doing this work properly. See now, this is the way to do it," suiting the action to the word. Clerks in such an office will be sure to be alert, and will talk among themselves, "The Manager knows all about it; it is no use making foolish excuses to him."

‡ In a bank situated in the United States, nearly the whole of the foregoing will apply as a description of the work to be done and the men that have to do it. But the person entitled "Branch Manager" in the above would, in an American bank, be called Cashier, or possibly President. The only change needed, in that case, in the description of his duties, would be that instead of having a General Manager and Head Office to refer to, he has a board of directors on the spot.

It ordains that such banks must be governed by a Board of DIRECTORS; it regulates also the minimum amount of stock they must hold, and the minimum number of which the board shall be composed. The law gives these directors the power of appointing and dismissing officers, but it does not prescribe anything as to the duties and responsibilities of such officers.

The Banking law of Canada also limits the amount of circulating bills, and regulates the security under which they are issued. But it imposes no limits on deposits, or discounts, or investments, or reserves. The principal difference between the banking law of Canada and that of England is in the restrictions that the former lays upon the manner in which banking loans shall be made, namely, forbidding absolutely any loans upon real estate, and in the imposition of elaborate rules and regulations, with penalties, with respect to loans on merchandise, all which are absolutely foreign to English and Scotch ideas of banking. But on these points, the law of the United States agrees with that of Canada.

All these and some other minor points being prescribed by law, it will be well to consider how such laws are, or should be, worked out in practice, in order best to secure the object for which a bank is established.

Proceeding upon this idea, it is evident that the first matter of consideration will be the composition of the board of directors. Upon this will largely depend not only the well being and prosperity of the bank, but the very continuity of its existence. The government of the bank is placed in their hands by law, and they are held responsible for it by public opinion. And rightly so.

What manner of man therefore should a bank director be individually? And what sort of selection should be made with regard to the men who have to act collectively? These are pertinent questions, and an endeavor will be made to answer them.

When the legislature ordained that joint-stock banks and trading companies should be governed by directors, the intention was doubtless that these should have somewhat of the place of partners in a private firm. This was the theory no doubt. But consideration will show that it cannot be strictly carried out. For the partners in a private firm whether of bankers or traders, are men who have the sole ownership of the business, and are responsible to its creditors to the full extent of their fortune. They are, too, generally men who have a practical acquaintance with the business, most of them having been brought up to it, and gone through the grades necessary to a familiarity with its details. The heads of the trading houses of every country are generally men of this sort, and know how to make, buy, sell, and handle the goods of their line of business. As to banking it is well known that the partners in the great private banks of England have generally had a practical training in the office, many of them having entered early and gone through the grades of each department exactly as if they were to be subordinates all their lives.

But it is impossible that conditions like these should be found in a number of men selected for the board of a joint-stock bank, or of a manufacturing company. They have not, and cannot have, the technical knowledge that partners would have. Hence they must rely much more upon the skilled and trained officers in their employ, upon whose shoulders rests the daily care and administration of the concern. In the sphere of banking such a class of officers has long existed, the necessity for them having arisen many generations ago in Scotland and the United States, and partially so in England. In manufacturing and trading corporations such matters can only be said to be in a condition of slow development. Meantime the question will arise as to what can be reasonably looked for from a body of gentlemen who are placed by law in the position of directors, but who have no practical knowledge of the business to be directed?

To answer this, let us first take the case of a joint-stock bank.

When a gentleman takes his seat for the first time at the board of a bank, and particularly one with branches in various parts of the country, he will probably have placed before him reports as to its general condition, the amount of its deposits, its discounts, and its circulation; also the amount of cash on hand and balances in banking centres. He will not, at first,

probably understand much about the bearing of these statements, or matters submitted or referred to the board, but will learn later on. By and bye, however, there will almost certainly arise matters of which he has some special knowledge. An account may be offered at one of the branches by a party in his own line of business. He then may be able to say to his fellow directors, "I know that firm. They are fairly well off now, but the head of the firm is somewhat tricky. He failed some years ago, when he was in business alone, and his creditors (I was one) generally thought he took advantage of them. You had better be careful what you do with this application." Or, it may be, he can say the exact opposite of all this; viz., "That firm has not overmuch capital, and they have not been long in business. But they are capable and honest; they are the kind of people that get on. Depend upon it, they won't borrow what they cannot pay. You may safely give them credit, though perhaps, not quite all they ask." Or the board may be discussing the case of a customer who is embarrassed, the question being whether the bank shall support him or allow him to fail. Here a director who is in wholesale trade, and has customers of his own, may give valuable *advice*, based on his own experience, or it may be, valuable information as to the antecedents of the person concerned.

As time goes on, the new director will acquire a knowledge of the leading customers of the bank, and their lines of discount, or their loans and the security held therefor. The knowledge that such a director acquires by moving about in the commercial world, will be of great assistance in enabling him to form a judgment with regard to many of these accounts, and specially if the question arises of an application for a temporary advance without security. In such a case, the information possessed by a single member of the board may be of invaluable assistance to the whole, in arriving at a safe conclusion.

In time a director may acquire sufficient knowledge of the theory of banking to form an opinion as to the general course of its business; namely, as to whether it is extending its discounts too widely or not; whether its loans are properly distributed; whether the reserves of the bank are sufficient and in proper shape, and other questions of general policy, which can only be properly considered by a man of experience.

In the case of a director of a manufacturing company—let us say, of a large saw-milling establishment—a director who is not a practical lumberman may form an idea as to the financial position and banking arrangements of the company, and whether they are doing too much or too little business for their capital. In time he may be able to judge whether the cutting of timber is proceeding economically, and whether the outcome of logs is sufficient for the money expended on a certain camp; whether the drive is well managed, whether the mill itself is producing all it ought to do, and of the right proportion of qualities. If a responsible foreman or manager is to be engaged, he may have special knowledge of applicants, and so on. The same principles will apply to the management of every kind of manufacturing enterprise, whether it be a cotton factory, an iron foundry, a sugar refinery, or any other of the diversified industries of the country. In all these, as well as in the sphere of banking, a body of men of business experience and general intelligence may render aid of a highly valuable character, even though they have no knowledge of the technique of the business.

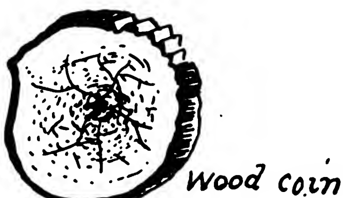
G. H

(*To be continued.*)

Gold Standard in Corea.—In reply to a letter of inquiry from the Director of the Mint regarding the production and use of the precious metals in Corea, United States Minister Horace N. Allen says: "The Japanese have just caused the Corean Government to adopt the gold standard, and 10,000,000 yen ($5,000,000) will be borrowed from Japan with which to establish a currency. I understand silver coins will be minted in Japan for the purpose, which coins will be exchanged for Japanese gold currency at the rate of 50 cents on the dollar."

VARIOUS TYPES OF COINS.

When the Spanish-American War broke out, I joined the army and for several years served in Cuba, the Philippines, Guam, and at Honolulu. During the various trips to the Orient I stopped over at Japan, at Borneo and other countries, and interviewed money brokers. I found the most peculiar types of coin in use by the natives of the Island of Mindanao, of the Philippine group. The natives use wood, stone, bone and other materials of a like nature, besides the Mexican coin. It is about the same with all the natives of the islands of the southern Pacific Ocean. The Mexican coin prevails among the natives of the Philippines, still the different tribes have various designs of money in circulation. The tribes of the Dyake of Borneo



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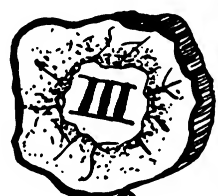

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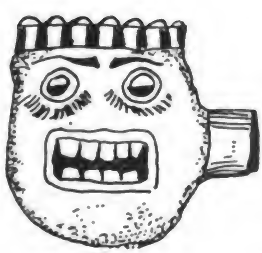
used to obtain coin by melting the bronze cannon secured in the fighting they had with the Malay pirates on the high seas. I have seen pieces of bronze cannon in Zamboango, Malabang, Cottobatto and Parang; also in the town of Jolo, of the Sulu archipelago, intended for making coinage. These pieces are found in the old Moro forts of Lake Lanao. This lake used to be freely distributed with cottas and forts. The bronze cannon were secured from the Spanish and likewise taken from Malay pirates, as in the case of the coin-makers of Borneo. There are tribesmen who use skulls for money. These are the head-hunters of the southern sections of Mindanao. Teeth of beasts are employed often for commercial exchange in the markets of the Philippines.



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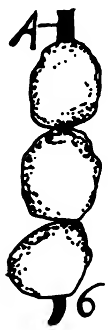
The annexed illustrations represent some of the designs of coins which I have seen in the course of my travels in the last six years.

Wood Money.

There grow in the Philippine Islands some rich forests of mahogany, and various species of hardwoods that the natives work up into coin-like pieces

of money, as represented in figure 1. The number of notches cut into the outer edge of the coin represents its value. The piece of hardwood is richly polished. Sometimes the value is designated by the engraved Roman characters in the center of the piece, as represented in figure 2. After these pieces have been carried a few years they become quite worn. I saw a queer figurehead of a piece of this money in the possession of a Datto, a drawing of which is shown in figure 3. The significance of the coin value is marked with notches along the crown of the piece. The native counts these notches to ascertain the value of the piece. Tradition has all to do with the value,



of course. Because the possessor knows that the next man will grant the allowance of the coin in merchandise according to the traditional notches, and because the next man can depend upon the equal value from the next man, and so on, the coinage maintains its value according to the cuts in the edges.

Figure 4 represents a queer form of money exchange, made up of a tooth with a native product of wiry-like substance drawn through holes bored in order. The tooth is from a wild beast.

Figure 5 is one of the full-faced marked coins, found in use in Borneo, Sumatra, Guam, and the Philippines. The Chinese merchants are constantly traveling from point to point in the islands and they distribute this money. Many of the established houses of the seaports will handle this coin. They exchange it immediately at the money-changers' for the prevailing money of commerce. These coins are made of iron, lead and all sorts of metals. The natives use them for gambling purposes.

Figure 6 is a string of mineral product, and oftentimes the money-changers at the sea fall into rich bargains from the natives. There are mining interests going on in the hills of the Philippine Islands, and the native miners frequently appear at the sea towns with little collections of silver and other metals. Often they will work up their metal collections into the form indicated in figure 6, by stringing the metal balls on a piece of wire. This wire is usually telegraph wire, and is marked *a* in the cut. The number of balls determine the value. They use this coinage combination among themselves.

Figure 7 is a section of ebony I saw in use for money. Four cuts in the side represented the value of the piece. If five cuts were used, a larger piece would be needed and so on.

CHINESE COIN ABUNDANT.

All through the islands of the Pacific I found considerable proportions of Chinese coin in service. The Chinese money-changers are everywhere.

As one passes along the roads of a town, he observes attractive signs of

the pattern represented in figure 8. This means money in hand for exchange purposes. The fact that the Chinese are so industriously engaged in this money-exchanging business means that Chinese coin is freely distributed. I noticed considerable of the coin of the Chinese in circulation. The Chinese are queer fellows at the trade of money exchange. They have few equipments. Figure 9 is a sketch of one of the simple styles of weighing contrivances I noticed in use. The man had a balancing-pole of bamboo (*b*), which he balanced on one finger with a cord (*c*). The metal weight is fixed at *d*, and the coin is dropped into the prongs of the holder as at *e*. In this way quite considerable money is tallied off in the course of the day.

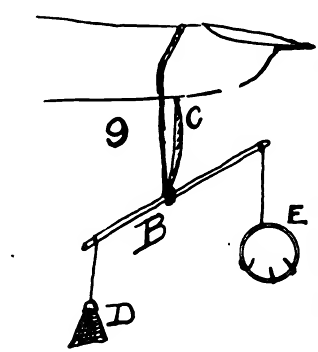
How Coin is Carried from Place to Place.

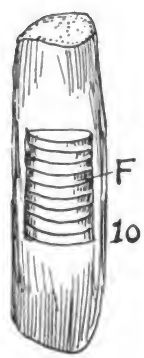
The natives of the Philippines and surrounding islands use some singular purses for the carrying of coin. One of these types is presented in figure 10. It is a bamboo piece, the wood being selected because of its toughness and general service. Usually the piece is about four inches long and of ample diameter to accommodate the coin. The side of the tube may be cut out and the pieces of coin are carefully deposited as at *f*. This tube can be used for the transportation of coin very readily.

Figure 11 illustrates one of the bags usually employed for transportation of coin. These bags are made of mat-work, fabric, cords, skins, barks, etc. Some of them are very defectively made. I have seen many of them patched up in all sorts of ways, with the edges of the coin projecting forth.

Money Problem a Complex One in the Islands.

It is hardly necessary to refer to the fact that the coin money problem in the islands is far from simple. There was a time when I could make my soldier-salary go about forty per cent. ahead of its original value by changing





the United States currency into the local currency at the money-changers'. This is because almost all the sales of goods are made in the local currency values. To the natives and the Chinese dealer the local money will buy as much as the United States money so far as prices are concerned. That is, a dollar article sells for a dollar United States money or an even two dollars Mexican money. Therefore with money at 240 one could make his salary go the amount that much better by changing it into the prevailing coin. But during the past several months, the values of the different moneys in the islands have become more equal, and the soldier must be content to get along on practically the soldier's pay. The chance to increase its purchasing value by exchanging it into Mexican money is nearly extinct.

An Ex-Soldier.

Of Great Benefit.—Charles Hamilton, Vice-President of the Missouri-Lincoln Trust Co., St. Louis, writes under a recent date: "I enjoy the Magazine and find it a great benefit to me in connection with my business."

IS WAR THE ONLY WAY?

The waste of war is brought afresh to the mind by the terrible conflict between Russia and Japan. With all the experiences of centuries of civilization for their guide, these two powers found no way of settling their disputes but by a resort to arms. Other nations, some of which were guilty of having assisted in despoiling Japan of her rights in the war with China in 1894, have looked on either indifferently or with a greedy desire to profit by the fray. If the aspirations of Russia had included only a commercial port on the Pacific, and the suspicion of territorial acquisition had not been manifest, Japan's anxieties might have been allayed. Unquestionably, the statesmen directing the policy of each of these powers believed themselves in the right. The issues involved in the controversy were hardly such as could have been submitted to arbitration, because Japan no doubt viewed the Russian occupation of Manchuria as a menace to the sovereignty and territorial integrity of the Japanese Empire.

This conflict in the East, which has cost many millions of money and hundreds of thousands of lives, has received little attention from economic and humanitarian standpoints. Most of the interest has centred about the purely military problems.

It is sometimes contended that the losses due to war are not so great as commonly supposed. This is perhaps true in so far as the direct injury to property is concerned. In modern warfare there is little wanton destruction of property, and the amount actually destroyed bears a small proportion to the total wealth of the nations at war. Ordinarily, also, countries engaged in armed combats suffer no serious disturbance of their business affairs. Men are withdrawn from the field of industry, but their places are filled, and the usual operations of production and distribution of commodities go on as before. In fact, war often acts as a stimulant of production and, for a time at least, adds to the general prosperity. The stimulant may be artificial, and may impose the penalty usual to such means of vitalizing torpid energies, but for the time it is no less potent in its energizing effects upon industry and trade.

But there are indirect losses due to war. The legal-tender notes issued to carry on the fight against the Southern Confederacy are a good example. In the Report of the Comptroller of the Currency for 1896 the costs and liabilities on account of these notes is placed at $1,081,881,562—a sum which could be considerably increased if the computation were brought up to date, especially as the gold reserve has been increased from $100,000,000 to $150,000,000, and the interest on this fund would be correspondingly greater. The notes are still unpaid. Of course this estimate makes no attempt to show how much the cost of the war was enhanced by the issue of legal-tender paper money, instead of adhering to the gold basis.

A great deal of the money invested in maintaining military and naval equipment must be considered as unproductive capital. Occasionally the land and naval forces capture a few islands, but there is much to show that commercial travellers and other peaceful agencies could have extended the commerce of the country just as effectually and at much less cost. The notion that in order to trade with a country it is necessary to annex it, has but few upholders. Our commerce with the British Isles is perhaps as large as it would be if it were possible to extend our sovereignty over the United Kingdom.

Although the armaments of the United States are not so burdensome as are those of most European countries, the tax upon the people for warlike purposes are still very heavy. How large a part of our expenditures

goes to this end may be seen from the following figures, taken from the Annual Report of the Secretary of the Treasury for the year 1904:

For the civil establishment	$180,264,172.06
For the military establishment	115,035,410.58
For the naval establishment	102,956,101.55
For Indian service	10,438,350.09
For pensions	142,559,266.36
For interest on the public debt	24,646,489.81
For deficiency in postal revenues	6,502,530.86
For postal service	143,582,624.34
Total expenditures	$725,984,945.65

It is fair to assume that at least one-half the expenditure on account of interest on the public debt should be added to the war expenditures, and this would give a total for this purpose, including pensions, amounting to $372,874,023.39—or more than all other expenditures combined.

However the growth of the war spirit and the consequent enlargement of military and naval outlay may be deplored, no adequate remedy is in sight. While there is much talk heard in favor of arbitration as a means of settling international disputes, in view of the steady preparation for war going on amongst the chief nations, this talk must be regarded more as expressing a hope of what should be rather than an expectation of what is likely to take place in the near future.

But those who regard war as wasteful and barbarous should not be discouraged at the outlook. It is not too much to hope that at some remote time mankind may conclude that there are more humane and economical ways of settling disputes than by going to war. Possibly the continuance of the warlike spirit may be due to the emphasis of fighting as being the chief manifestation of patriotism. This is one of the early lessons instilled into the minds of children. There is a glorification of military achievement, while many humbler yet equally worthy services are passed by in silence. The man on horseback, with uplifted sword, amidst waving flags, moving to martial music, and surrounded by cheering troops, is a figure to stir the imagination. A street-cleaner with a broom, keeping the crowded quarters of a great city in a sanitary condition, or a farmer following the plow, is not particularly heroic or melodramatic, but either of these may be quite as useful as the soldier. Of course, the man who risks his life in battle is worthy of great honor. So is the physician, who, without the theatrical accessories of war, faces death every day in insidious forms while in the unassuming discharge of the duties of his profession.

The Japanese people have been subjected to the same insult by foreign nations as was heaped upon the United States by reason of the war with Spain. Everywhere Japan is now hailed as one of the greatest countries of the world, owing to the victories achieved over Russia. As a matter of fact the greatness of Japan has not been demonstrated by her recent military and naval exploits so much as it had been already by the achievement of the Japanese people in art and education, and more than all by the character and fine courtesy of her sons and daughters. In politeness alone Japan could give lessons to every country of the world. There are some things greater than armed batallions and battleships.

Perhaps no grosser indignity was ever offered to any country than was implied by the European expressions of respect for the greatness of the United States, *because this country had conquered Spain;* but strangely enough, many of our people actually swell with pride when they hear this opinion expressed on foreign shores. The intervention of the United States in behalf of the struggling patriots of Cuba was a fine exhibition of the true American spirit, but the military and naval problems were comparatively insignificant, striking as the victories of Dewey's and Sampson's fleets appeared at the time. The real greatness of the American Republic is to be found in the progress of a free, enlightened and prosperous people. Our greatest achievements have been those of peace.

So long as other nations keep on preparing for war, this country is compelled in self-defense to do likewise. We can not even be deceived by vague outgivings about arbitration. The example of the Czar of Russia, the chief

promoter of The Hague Conference, involving his country in a horrible war, is too fresh in mind.

The best substitute for war is the peaceful pursuit of trade and commerce. Here is an unlimited field worthy of the greatest ambition and skill. The rewards to be won may lack the glamour and romance that halo the head of the military chieftain, but they confer upon mankind more of the benefits and fewer of the injuries than are wrought by the instrumentality of war. Both labor and capital already are sufficiently burdened without imposing upon them the charges incident to keeping one nation in a position to slay the inhabitants and destroy the property of another. The field of human activity is not so circumscribed that man must find employment in killing his brother.

With the spread of enlightenment, it may not be too optimistic to hope that there will be a practical realization of the truth that "war is a game, which, were their subjects wise, kings would not play at."

STIRRING UP BANK DIRECTORS.—A new policy, destined to bring a fuller and better realization to directors in National banks, has been adopted by the Comptroller of the Currency, who believes from the reports of examiners that there is not a full realization by directors of banks as to their liability under the law.

In the courts when it has been pointed out that directors are liable because of their connection with institutions which have failed or have been mismanaged, directors claim ignorance of the transactions and disclaim knowledge of their responsibility under the law. With a view to changing this, the Comptroller, instead of addressing letters of complaint to the officers of the banks, such as the President or Cashier, has ordered that letters be addressed to the directors as a body, and has required that all members of the directory shall append their signatures to the replies. The character of the letters varies. They are usually based upon a report from a special examiner and refer to overdrafts, to loans to Cashiers or a coterie of bank officers, or to bad or excessive loans.

The action of the Comptroller has had the effect of stirring up many directors, who, unaccustomed to getting such letters, have feared that something is radically wrong with the banks with which they are associated. The letters do not necessarily so indicate, but they make clear the intention of the Comptroller to end the repeated pleas of ignorance of the condition of the institutions to which men lend their names as directors. It will not be long before such a plea can be met with letters from the private files of the Comptroller's office, showing that they stated a knowledge of conditions when called upon to do so over their signatures.

THE BANKERS' MAGAZINE.—In the current number of that estimable financial journal THE BANKERS' MAGAZINE, published by the Bankers' Publishing company, of New York, are several well chosen articles, a perusal of which would well repay all interested in matters pertaining to finance. An excellent series of articles relating to trust companies—their organization and growth and management—contributed by Clay Herrick, has been running since the first number of last year, the present article dealing with "State Statutes relating to Trust Companies." The "Development of Deposit Banking" is also a most excellent study of the conditions of deposit banking now and in the earlier state of banking.

Another series of articles which should be reading of a particularly interesting kind for Canadians is the article on "A Practical Treatise on Banking and Commerce," written specially for the MAGAZINE, by Mr. George Hague, who was for many years the General Manager of the Merchants' Bank of Canada. In these articles Mr. Hague has dealt with the very foundations of banking methods, and has shown how banking institutions have grown from the very crudest to the present highly efficient and elaborate institutions. The MAGAZINE teems with interesting and appropriate articles reflecting current financial thought.

THE BANKERS' TREATMENT OF COLLECTION ITEMS.

Many bankers refuse to handle drafts sent direct by business houses, unless the houses are regular depositors of the bank; and other banks handle them simply because they think they must; while still others are glad to handle them, and know how to handle them to their profit. This matter was dealt with in the January MAGAZINE on page 105, and a method given for handling such items and making them pay.

NO REASON FOR NON-PAYMENT.

The first and most frequent complaint against the banks is that they fail to give a proper and definite reason for returning a draft unpaid, and they have abundant cause for this complaint. To return a draft simply as "unpaid" is really no reason at all, for the very fact that it is returned is evidence that it has not been paid. The first question that comes to the mind and tongue of the drawer is, Why was it not paid? It is true the drawee frequently writes to the drawer either explaining why he has not paid the draft or sending a check for the amount, and so the drawer knows before the draft is returned that it is coming back and why. But this is not always done—it is not done even in one-fourth of the cases and cannot be given as a good excuse for not giving the reason for its return. If you handle the drafts, either willingly or unwillingly, it is due to the drawers that you give them as definite a reason as it is possible for you to get for their not being paid.

HOW TO GIVE THE REASON FOR NON-PAYMENT.

Sometimes the clerks are so busy that they do not have the time to stop and write the reason on the back of the draft—and it takes their time—and quite often the drawee will not take time to do it. Quite a number of banks have made this writing unnecessary by having slips printed with reasons on them and the reason given for non-payment is ticked on the slip and the slip attached to the item before it is returned. This is a good plan and one that is being adopted by more banks every day. The MAGAZINE for June, 1904, gave illustrations of some of these slips, but it may not be amiss to again reproduce the best and most convenient slip, and it is the style that is being most used. It has a narrow margin of gum under the left-hand end; this is moistened and then attached to the item. (See Fig. 1.)

ANTI-PIN SYSTEM SLIPS.

RETURNED

UNPAID

Reason Ticked, if Known.

FROM THE

Bank of Montclair,

MONTCLAIR, N. J.

CHECK SENT
AMOUNT PAID
WILL REMIT
WILL WRITE
AS REQUESTED
DATE
REFUSED
PAYMENT STOPPED
PROTESTED
AMT. END. INFORMAL
NO ATTENTION
NOT SUFFICIENT
FOR ENDORSEMENT
REASON ENDORSED

FIG. 1.

This slip can be used on drafts, notes, checks and other items sent through either for cash or collection.

Drafts Not Presented.

After a draft has been returned to the drawer without definite reason, he sometimes writes to the drawee asking why the draft has not been paid, and for reply gets word that the draft had not been presented; and the fact that no reason was given for its non-payment leads the drawer to believe that the excuse is a true one. He then makes his complaint to the bank; or, what is worse, holds a mental opinion against the bank, and considers it to be careless in its method of work, and he will hesitate about giving it more of his business. This condition could have been avoided if a proper reason had been given for the draft's return.

Very often the work of presenting drafts and similar bankable papers is entrusted to young men who have recently entered business life, and because of their lack of training and experience are unable to realize the importance of handling such papers with the care and diligence that should be given to them; nor do they imagine that matters of much importance to the drawer of the draft depends on their payment or reason for non-payment.

The drawers sometimes conclude that the bank's messenger was careless in the matter and did not present the draft. This may at times be true, but in justice to the average bank clerk it should be said that they are a careful lot of men and realize the importance of their work. While at the same time it is true the young men are not always so careful as they should be, it is the duty of the older men to look after them and see that these little matters, as they may be considered, are properly attended to, and thus do the bank and the junior clerk a good service.

The young men sometimes say that the bank officers expect too much from them for the salaries they get, and that the salary is not at all in proportion to the amount of work and responsibility required. The complaint is too often true, but it in no wise excuses a man from doing his full duty. If he becomes negligent he himself will suffer more than the bank will; for he not only reduces his prospect for advancement, but he contracts habits that will not be easily overcome even if he enters a more remunerative business.

Presentation by Mail—Reply to Notice.

There are times when a bank cannot possibly take the time necessary to make personal presentation of the item. The place of business of the drawee is too far from the bank, or too far out of the course of the messenger's route for the day. In such cases the bank has recourse to the mails, and notice of the draft is sent with the request to call at the bank and pay it. These notices very often accomplish nothing, for if the drawee cannot or will not pay it he pays no attention to the notice. The only thing for the bank to do then is to return the draft marked, "no attention to notice."

.... NATIONAL BANK, Philadelphia, Pa.

To..

Please call at the above Bank..............................*before three o'clock*

and pay or accept a Draft drawn on you at.................. ...*days after sight*

date by..

for $ ....

☞ IF YOU WILL NOT PAY OR ACCEPT IT SEND REPLY ON BACK OF THIS NOTICE

☞ DRAFTS MUST BE PAID IN MONEY, CERTIFIED CHECKS, OR BANK DUE BILLS

Yours respectfully,

...., *Cashier.*

BANK CLOSES ON SATURDAY AT 12 O'CLOCK.

Fig. 2.

Some banks in their efforts to give the very best service to their customers have adopted a form of notice with a request to reply if the draft will not be paid, and have a space on the back of the notice for the reply. This has resulted in much more satisfaction than the old form of notice, because more replies are received when notices have been mailed and when they have been left at drawee's place either by request or because the drawee was out. Following is a copy of this form (Fig. 2):

This is the face of the notice.

GIVE REPLY BELOW

....

....

....

....

....

....

....

Date....................................

Fig. 3.

This shows the arrangement on the back for reply.

Presentation by 'Phone—Reply Secured.

Many drafts are now presented by 'phone—that is the drawee is notified by 'phone that the bank holds the draft. This is not only a time-saver for the bank, but it usually succeeds in getting a definite reason if they refuse to pay it, or if the party is willing to pay they will either call at the bank and pay or send check by. mail. Still, there are some firms who will not recognize a presentation by 'phone, but will at once tell you to present the draft at their office, without telling you whether it will be paid or not.

Drafts Held Too Long.

Another complaint frequently made is that banks hold the drafts too long for the convenience of the drawees. The banker usually thinks he is doing the drawer a favor by holding the draft in hope that it will be paid. The drawer usually wants it returned promptly if it is not paid, so he can take other means to collect the bill if necessary. Banks can be held liable for the amount of drafts so held, when it can be proved that a loss has been incurred by the drafts having been held, when if they had been returned the drawers could have collected them some other way, or could have secured judgment before the debtor failed, made an assignment, or decamped for parts unknown.

The only advantage to the bank in holding the draft for convenience of the payer is that they can deduct the exchange before remitting, and thus be reimbursed for service, postage and other expenses. But it is a practice that does not pay and that gives much annoyance besides carrying with it a liability of damages against the bank.

Improper Acceptances.

Another mistake some bankers make is in allowing acceptances making the item payable at some future date not allowed by the terms of the draft. This is equivalent to holding the item for the convenience of the payer, and at the same time may be going contrary to the terms of the sale. By doing this the banker takes upon himself privileges that are not his, and power to make terms that he has no right to make. But in hope of securing payment,

or in ignorance of their powers as collectors, a few bankers allow acceptance to be made in this way.

No-Protest Slips Not Removed.

It is safe to say that about seventy-five per cent. of the drafts sent out with "no-protest" slips attached, giving reason to remove or detach the slips before the item is presented, are presented and returned without the slip having been taken off. This is certainly either negligence or carelessness in regard to proper handling of the item. For to handle it properly the instructions must be followed as far as it is possible to follow them, and every bank can follow them in this particular.

Some bankers object to removing the slip because the item, if not paid, might be protested by mistake and the bank then have to stand for the fees. This has occurred more than once, but a little care would prevent it. All that is necessary is to have some private mark that stands for "no-protest," and when you remove the "no-protest" slip, mark the item with the private mark, and then you will not be in any danger of protesting it. Bankers have different marks. The one in most common use now is X; while some use N., and others use N. P. You can take any letter or numeral for your mark and the party on whom the item is drawn cannot tell when he sees it whether it is protestable or not. By so doing you are more likely to secure prompt payment, for a few business men are still afraid their credit will be hurt by having a draft that is drawn on them protested for non-payment.

Returned Too Soon.

Time drafts are occasionally sent out subject to protest for non-acceptance or non-payment, or both. When such a draft is protested for non-acceptance it is the custom to hold it for maturity, dating the maturity from the time of protest—if the draft was drawn for a certain time after sight, or if drawn payable so many days after date or on a fixed date, hold it until that time and then protest it for non-payment, if not then paid. But some banks return them as soon as they have been protested for non-acceptance, as if that ended their duty in regard to the proper handling of the draft. This may be done because the clerk thinks he has done all that is necessary and that the item will not be paid, but such is not the case. The fact of its not being accepted does not always mean that it will not be paid, and non-acceptance is not non-payment. To refuse to accept is not to refuse to pay. The item should be held for date of maturity after it has been protested for non-acceptance, unless instructions are otherwise.

Delay in Advising or Remitting.

One more cause for complaint in handling drafts and other items is tardiness in advising payment or making remittance. Some bankers having recognized the reasonableness of this complaint advertise to make remittance on the day of payment, and they no doubt secure business by making this promise that they would not get otherwise. It is very annoying to have to wait for the report or remittance, and then have to write for it not only once or twice, but sometimes more often. Bankers who thus hold remittances for the purpose of swelling their deposit line will find in the long run that it does them more harm than good. It is often the case that country bankers, where there is only one bank in the town, do this because they know the items must come to them. But they ought also to know that such action creates a spirit of dissatisfaction, and that in turn creates a desire to organize another bank to do business in a satisfactory way. Familiarity often breeds contempt, and dissatisfaction often breeds competition.

The most of what has been said has been about the handling of drafts, because with them the banks can and do take more liberties than they can take with checks and promissory notes. But some of the things stated apply to all items whether they be cash or collection.

Charles Wesley Reibl.

NATIONAL SAVINGS BANK OF FRANCE.

The report to the President of the operations of the National Savings Bank of France (Caisse Nationale d'Epargne) for 1903 has just made its appearance. The branches of this institution are to be found at every post office in the Republic. The most interesting figures follow:

Receipts, Expenses, and Credits.

In 1903 the deposits (3,445,147 in number) were $83,900,535, the withdrawals (1,952,136 in number) were $86,976,870; excess of withdrawals, $3,076,335.

On January 31, 1902, the net amount to credit of depositors was $213,603,320. Deducting from this the excess of withdrawals in 1903, $3,076,335, left a balance of $210,526,986, to which interest was added of $5,239,308, and there was a net balance due depositors of $215,766,294. Assets belonging to the institution, apart from assets otherwise accounted for as its personal fortune, amounting to $6,970,330, were added, making the grand total assets $222,736,624.

Statement of Accounts.

Average deposits, amounts due depositors, number of accounts opened, and average credit of each account of the National Savings Bank of France, 1882 to 1903.

Year.	*Average of deposits.*	*Amount due depositors December 31.*	*Number of open accounts.*	*Average credit of each account December 31.*
1882	$26.37	$9,187,116	211,580	$43.41
1883	20.26	14,944,262	375,838	39.76
1884	19.90	22,272,592	526,889	41.15
1885	20.95	29,752,025	670,714	42.96
1886	21.48	36,800,106	816,135	43.55
1887	21.43	43,139,224	950,729	44.04
1888	22.50	51,440,206	1,101,116	45.56
1889	22.57	64,057,373	1,272,875	49.23
1890	26.32	79,793,736	1,475,820	53.04
1891	28.16	97,731,226	1,694,355	56.33
1892	30.00	118,958,141	1,934,284	60.23
1893	27.72	117,883,226	2,050,083	56.41
1894	28.70	133,340,700	2,251,193	58.47
1895	27.86	145,417,494	2,457,467	58.45
1896	24.49	151,495,389	2,652,564	56.47
1897	24.03	162,932,085	2,861,0 2	56.33
1898	23.22	168,879,127	3,073,737	54.69
1899	23.14	179,384,676	3,319,938	54.06
1900	24.00	194,980,796	3,565,941	54.65
1901	24.42	208,515,240	3,805,881	55.22
1902	24.26	213,603,320	3,991,412	53.52
1903	24.34	215,766,294	4,143,888	52.07

It should be understood that the amount upon which individual depositors are permitted to draw interest is limited to $289.50. When that sum is exceeded depositors find other methods of investing their savings.

Robert P. Skinner, *Consul-General.*

Marseille, France.

Mr. Carnegie's Experience.—In an address before the Builders' Exchange at Cleveland, Ohio, March 9, Andrew Carnegie said:

"My whole experience in life, gentlemen, has been this: the more you know of human life the finer you find it."

AN ACCOUNTING SYSTEM.—HAVE YOU THE SHADOW OR THE SUBSTANCE?

An accounting system is necessarily either primitive, passive or progressive. Which is yours?

Bankers generally recognize the fact that a comprehensive accounting system is not a luxury, but a necessity, and are quick to adopt any practical improvement in their accounting methods. Few, if any, bankers in this country tolerate an accounting system that could be called primitive, and practically all the metropolitan banks keep their accounting system abreast of the times. The large city banks usually employ an auditor, whose duty is to attend to such matters, and as a general thing he is well posted on the most modern accounting methods and devices and is quick to adopt improvements and discard old methods.

It is one of the *many* duties of the Cashier of most banks to look after such matters. The Cashier is naturally more engrossed in the *many* duties than in the *one*. From the time the bank opens until it closes, he is absorbed in general bank work that demands his closest attention. He cannot procrastinate in this direction. His motto is, "Do it now," and he is naturally going to apply himself closest in the direction of his greatest responsibilities. He knows better than anyone else when his accounting methods are passive only, and he also knows better than anyone else that they should be up-to-date, and promises himself in good faith, that some day they will be.

Eventually the time comes when a change is to be made in the existing methods. The condition arises from a necessity or a desire to adopt an accounting system that will eliminate all superfluous work, reduce clerical effort to the minimum and give a clear, concise record of all transactions, with an independent check in all quarters where a positive verification should be had; in short, to adopt an accounting system consistent with good banking. Frequently the first step the Cashier takes is to investigate the methods of his neighbors, who may or may not have a better system than his own. Next comes an investigation of improved devices applicable to bank accounting; next a siege of worry to get the best devices and proper application to his particular case. Next in order are the dimensions, specifications, manufacturing detail, more worry, etc. A great deal of his valuable time has been lost, he is almost gray-haired from worry over detail, but he has a system. Whether or not it is a practical system time alone will tell. He may have the *substance* or he *may* have the *shadow*. If good fortune has been generous he has the substance, and joins with the clerical force in their relief from red tape incident to ancient methods. If, however, it proves to be but the shadow and the red tape binds all the tighter, and instead of relief the clerical department has inherited a perpetual nightmare—well, that's different. All the energy, time, worry and investment have been traded for an impractical experiment, to the detriment of the entire organization—a poor trade at best.

Value of Expert Advice and Assistance.

Experiments are costly; dôn't experiment. If you decided to erect a new bank building you would consult an architect. That would be good business. If you contemplated making a loan on collateral, with the value of which you were not familiar, you would investigate it among people who *knew*—that is good banking. When weighty matters arise that involve legal points you naturally consult a lawyer—certainly good business as well as good banking.

If your institution made a specialty of accounting methods and devices

and was thoroughly familiar with the accounting systems used by the representative commercial banks, Savings banks and trust companies of all sizes, in all parts of the country, and under all conditions, and you made it a point to keep as well posted on such matters as you do on the rates of exchange, or the conditions of the money market, it would not be necessary to consult anyone when you wanted to change your accounting methods—you would be sure to get the substance and not the shadow. But this would be as much out of your line as constructing the building without the architect. When we feel ill and need toning up, we consult a physician. When the banker wants to learn something relating to the best and most approved methods of bank accounting, he should consult a good public accountant who is thoroughly posted on banking. You may be using the most modern accounting devices, yet not deriving all the benefits accruing from the best application of these devices. Most of us clamor for the best and accept the shadow for the substance, because we do not know the real difference.

Diagnose your own case. Do you balance your individual accounts daily by handling only such accounts as are affected by the transactions for a day? Have you discarded the old methods of journalizing checks and deposits? Have you done away with "cross" footings on your ledgers? Do you get your daily balance of individual accounts without the use of a balance book? Have you discontinued that disagreeable work of balancing pass books for your customers? Do you get daily an independent check on each and every individual account that is affected for the day? Is it necessary with your present system that any part of the work accumulate? Do you get automatically an audit each month of each and every individual account on the ledgers? Will the flexibility of your present system permit of an unlimited growth at any time without a radical change? Can you locate immediately any account on the ledgers without reference to an index? Have you sufficient space for each account to permit of taking care of a sudden growth without transferring the account to another part of the book? Can you check any account on the ledgers for any period without referring to various parts of the book or to several books? Is it necessary with your present system to rewrite all names periodically? Can you eliminate all dead or closed accounts from the current accounts? Have you more than one account on a page, thus incurring the liability of posting an item to the wrong account? Should you post an item to the wrong account, would your present system discover the error the same day?

Have you the shadow or the substance? G. F. Watt,

Vice-President Baker-Vawter Company.

Buffalo & Susquehanna Railroad.—The Buffalo & Susquehanna Railroad Company has recently made a trackage agreement with the Buffalo, Rochester & Pittsburg, whereby it will use the latter company's tracks between Stanley and Juneau, a distance of about fifteen miles. This agreement will give the Buffalo & Susquehanna Railroad Company immediate access to its coal properties at Sykesville, Big Run and Troutville, where upwards of 30,000,000 tons await shipping facilities. It is stated that below Juneau the Buffalo & Susquehanna interests will construct its own road through to Plumville, where a tract containing about 55,000,000 tons of coal is owned. Arrangements have been made to finance this extension and to provide funds for the immediate development of the coal properties above mentioned.

The Bankers' Magazine.—Professor W. T. Jackman, of the University of Vermont, Burlington, writes as follows under date of March 30:

"I consider your Magazine as the most complete and reliable presentation of banking and kindred subjects extant; always timely in the consideration of financial and commercial topics, impartial in the discussion of all these topics, and thoroughly educational in all that makes for the good of the whole people in sound business operations. As an aid in the teaching of banking principles and practice, I have found it invaluable."

NOTICES OF NEW BOOKS.

[All books mentioned in the following notices will be supplied at the publishers' lowest rates on application to THE BANKERS PUBLISHING CO., 87 Maiden Lane, New York.]

THE LEGAL-TENDER PROBLEM. By PERCY KINNAIRD. Chicago: Ainsworth & Co.

Mr. Kinnaird's chief aim seems to be, as near as can be made out, to denounce the "money power" and the "Eastern financiers." The temperate character of his views may be inferred from the following:

"It is the accepted history of the country that the same vicious greed of the East which has dominated our finances, originally introduced chattel slaves into our country. That sublime and overmastering Christian love of humanity that the East is ever so ready to put forward as a cloak to cover its avarice, induced its inhabitants, at the earliest period of our history, to traffic in human flesh, and despoil humanity of its birthright. While they were preparing the souls of the heathen for heaven, they hoped to make out of the toil of their bodies sufficient wealth for their descendants to carry forward the humane work with fire, sword and bottle, under the guise of Christian commercialism, to all the heathen of the earth."

Just what this has to do with the legal-tender problem, the author does not state.

THE CREDIT MAN AND HIS WORK. By E. ST. ELMO LEWIS. Detroit: The Bookkeeper Publishing Co., Ltd.

Mr. Lewis has laid down many sound rules regarding the basis of credit. His plea for better business methods is worthy of careful consideration. He does not indulge in mere generalizations, but furnishes many helpful suggestions for systematizing business. Bankers are deeply interested in commercial credits, and they will welcome all efforts that tend to correct existing evils. Mr. Lewis has undoubtedly compiled information of much practical value, both to bankers and merchants.

THE ACCOUNTANCY OF INVESTMENT; including a treatise on compound interest, annuities, amortization, and the valuation of securities. By CHARLES E. SPRAGUE, A.M., Ph.D., C.P.A. New York: Business Publishing Co.

Professor Sprague has collected into book form the substance of some lectures delivered before the classes of the New York University School of Commerce, Accounts and Finance, rearranging the lectures with a view to their use as a text-book. He has stated the principles of investment accounting clearly yet fully, and the practical illustrations given are also valuable. Banks, and particularly Savings banks and trust companies, will find this a useful work. It is also commended to the clerks in financial institutions as a work whose study will be fruitful of good results.

NATIONAL BANK OF NORTH AMERICA, NEW YORK.

ALFRED H. CURTIS SUCCEEDS RICHARD L. EDWARDS AS PRESIDENT.

Alfred H. Curtis, who has been Cashier of the National Bank of North America for several years, was elected President of the bank at a meeting of the board of directors, March 28, succeeding Richard L. Edwards, who

ALFRED H. CURTIS,

President National Bank of North America, New York.

resigned after a connection with New York banking extending over a period of forty years.

Mr. Curtis, the new President of the National Bank of North America, is one of the well-known bankers of the city. He was born in New York in 1854; began his financial career in a broker's office in 1868, and in 1877 entered the Bank of the State of New York as a clerk, working his way up gradually until he became teller, and finally Cashier, continuing to fill this

office until the Bank of the State of New York was merged with the National Bank of North America, when he was chosen Cashier of the latter bank.

Besides being an experienced and able bank officer Mr. Curtis has an affable and courteous disposition that has made him many friends both among the bankers of his own State and elsewhere. He is Vice-President of the New York State Bankers' Association, and chairman of the Committee of Arrangements for holding the next annual convention.

Following the resignation of Mr. Edwards and the promotion of Mr. Curtis, some other changes were made in the officers of the National Bank of North America. Charles W. Morse, Vice-President of the New Amsterdam National and the Garfield National, and a well-known capitalist, was elected Vice-President, and Edward B. Wire was elected Cashier, succeeding Mr. Curtis. Mr. Wire has been with the National Bank of North America since 1902, and was formerly with the Bank of the State of New York, which he entered in 1884.

FISCAL REFORM IN CHINA.

Sir Robert Hart, the director-general of the customs service of China, has submitted to the Chinese Government a new plan for reforming the revenues and improving its finances. By this plan the yearly receipts from customs and internal taxes will yield about 400,000,000 taels ($284,000,000), whereas the present annual receipts are but 80,000,000 taels ($56,800,000). He also proposes the following expenditures: For the army, $35,500,000; navy, $21,300,000; arsenals, $7,100,000; administration of the civil service, $113,600,000; schools, $7,100,0000; post and telegraph, $4,260,000, and imperial court, $7,100,000, leaving an annual sum of $88,040,000 at the disposal of the Government.

The plan contemplates the creation of a powerful navy, which is to consist of twenty ironclad battle ships, twenty armored cruisers, and 120 torpedo boats, all of which are to be built within ten years; four arsenals, four schools for instructing army cadets, and three marine schools are to be established, and there is to be a thorough reform of the army, which is to consist of 200,000 men and 7,340 officers.—*U. S. Consul Guenther, Frankfort, Germany.*

PRAISE FOR THE MAGAZINE.—The Bank of San Pedro, Cal., writes under date of March 22: "We enjoy your publication very much, and consider it the best bankers' magazine we have ever seen."

THE GASTON NATIONAL BANK, DALLAS, TEXAS.

During the past year mention has been made of a few banks in the United States which have succeeded beyond the average; but no history of banking progress thus far given has surpassed the record of one that was organized, and begun business about a year ago, to be exact, the bank in question commenced business February 2, 1904, and hence, had not quite rounded out its

CAPTAIN W. H. GASTON,
President Gaston National Bank.

first year when the last call was made by the Comptroller. The bank referred to is the Gaston National Bank, of Dallas, Texas.

This bank has a capital stock of $250,000.00, and, on the 11th of January, from the statement made to the Comptroller, it reveals a wonderful growth during its first year's existence. The deposits on that date were $1,409,453.94, divided as follows: individual, $668,078.91; bank, $741,375.03, and its earnings were $20,358.09.

When it is remembered that Dallas has six other banks, five of which are National banks, and all of them older than this one, and that the combined deposits of all of them is a little less than $15,000,000, this extraordinary growth will be appreciated.

The bank has in one year taken front rank among the large banks in Texas, and the reason of this remarkable progress is due chiefly to the per-

D. E. WAGGONER, Vice-President.

R. K. GASTON, 2d Vice-President.

R. C. AYRES, Casnier.

J. D. JACKSON, Assistant Cashier.

GASTON NATIONAL BANK, DALLAS, TEXAS.—A GROUP OF THE OFFICERS.

sonality of its officers and directors, who are bankers of wide experience, and known and respected for their ability all over the State.

Capt. W. H. Gaston, President of this institution, is a pioneer banker of Dallas, opening the first bank in Dallas in 1870, and has been identified with the banking interests of Dallas since the city was a village up to the present time, and having accumulated a fortune by his business sagacity and foresight in realizing years ago that Dallas would some day be the metropolis of Texas.

D. E. Waggoner, First Vice-President, is a native Texan, and has been raised up in the banking business, and it has been said he has the personal acquaintance with more Texas bankers than any other man in the State. While only thirty-seven years old, he has spent more than fifteen years in the active management of banks in the Lone Star State. To his wide acquaintance, and strong personality, is largely due the big item of bank deposits in the statement. The two banks managed by Mr. Waggoner before his connection with the Gaston National, viz., the First National Bank of Ladonia, and the National Bank of Cleburne, Texas, were wonderfully successful institutions, and attracted very favorable comment from leading bankers at the time.

R. K. Gaston, second Vice-President, is a son of Capt. Gaston, and while a young man, has had long experience in the leading banks of the city, and numbers his friends by the score in Dallas.

R. C. Ayres, Cashier, has spent twenty years in the banking business in Dallas, and is known by nearly every man, woman and child in the city, and is universally respected and liked. He is a ceaseless worker, and was for years a member of the banking firm of Gaston & Ayres, and as the active manager of this business gained the confidence of the financial world.

J. D. Jackson, Assistant Cashier, came to Dallas from Mexia, Texas, in which place he had accumulated quite a competency in the mercantile and banking business by his unerring judgment. He was for years President of the Citizens' National Bank of Mexia, and no man in Limestone County stood higher in the estimation of the public.

With the official force, nothing but success was predicted for the bank in the beginning, but its success has been even greater than its most sanguine friends expected.

Texas Bankers on a Vacation.—The committee of the Texas State Bankers' Association has decided on the official route for the trip to the Pacific Coast next June. The committee decided to operate its own complete and specially appointed Pullman train to start from Dallas on the evening of June 14 over the Texas & Pacific, the routing to be via Fort Worth, thence the lines of the Fort Worth & Denver City, the Colorado & Southern, the Denver & Rio Grande, the Oregon Short Line and the Oregon Railway and Navigation Railways to the Dalles, Ore., between which latter point and Portland the party is to be carried by steamer down the Columbia and Williamette rivers, resuming the use of their special train after a stop of two days in the Lewis and Clark Exposition at Portland. Beyond Portland the special is to move to Seattle, Tacoma and Spokane Falls, Wash., thence Butte, Billings and Gardiner, Mont., at which latter point is located the main entrance to the park.

The itinerary adopted provides for stops and special entertainment at Colorado Springs and Glenwood, Col.; Salt Lake City, Utah; Portland, Ore.; Seattle, Tacoma and Spokane Falls, Wash., and at Butte, Mont., from whose bankers' associations and commercial bodies the Texas association is in receipt of cordial invitations to become their guests.

Negro Bank a Success.—The first report of the American Trust and Savings Bank of Jackson, Miss., was recently made public. The bank was opened last October. Every share of the stock is owned by negroes, and every one of the officers and employees is colored. No white man has anything to do with the bank, and the funds deposited therein are the savings of negroes in and about Jackson.

In the three months in which the bank has been in operation funds to the amount of $64,000 have been handled. The loan department has been judiciously managed, and as a result the dividend declared for the first quarter amounted to twenty-two per cent. of the capital. The negroes of Jackson are proud of this institution, and the officers report that its establishment caused a large increase in the savings of the members of that race. The officers of the bank are confident that as they have no competition they will be able to increase the percentage of earnings during the next three months.

W. E ALLEN.

SECRETARY AND TREASURER GREENSBORO (N. C.) LOAN AND TRUST CO.

The Greensboro Loan and Trust Company, of Greensboro, N. C., commenced business October 2, 1899, its officers then and now being as follows: President, J. W. Fry; Vice-President, J. S. Cox; Secretary and Treasurer, W. E. Allen. The capital stock of the company is $100,000.

From its organization the company has steadily increased its business until it has grown to be the largest financial institution in the city and county where it is located, having a quarter of a million more deposits

W. E. ALLEN,
Secretary and Treasurer Greensboro Loan and Trust Co.

than any other bank in Greensboro, and enjoying the distinction of being the first and only bank there with total assets of one million dollars. In the past year alone the deposits have increased $200,000.

W. E. Allen, Secretary and Treasurer of the Greensboro Loan and Trust Co., and active in the management, began his banking experience in the Greensboro National Bank as collector, filling also the position of assistant bookkeeper. He was advanced to be bookkeeper and teller, serving in these stations until 1899, when he was elected Secretary and Treasurer of the Greensboro Loan and Trust Company, a position which he has since filled with marked success. At the time the Company was organized he took an active part in securing subscriptions to the stock and distributing it with a view to making desirable friends for the Company.

At the meeting of the Trust Company Section of the American Bankers' Association in New York last fall, Mr. Allen was elected Vice-President of the Section—a position for which he is well qualified by his financial experience and the keen and active interest he takes in all movements for the spread of sound banking principles.

THE CITIZENS' NATIONAL BANK, RALEIGH, N. C.

In all that constitutes a bank of the highest type, this institution ranks among the very best in the country. Its position is well shown by the following figures, taken from a recent official statement:

Capital	$100,000
Surplus	100,000
Undivided profits	20,000
Deposits	925,000
Assets	1,250,000

JOSEPH G. BROWN,
President Citizens' National Bank, Raleigh, N. C.

The wise policy of the management is told as plainly in these figures as it could be by any words of ours. Not only is the bank strong, but it is profitable also to its shareholders, who are now receiving dividends of ten per cent. annually.

The Citizens' National Bank, of Raleigh, is therefore looking carefully to the security of its depositors, efficiently serving the business community, and making a handsome return to its shareholders, which is certainly all that can be expected of any bank.

Joseph G. Brown was elected President of the Citizens' National Bank in

1894, the tenth anniversary of his Presidency occurring November 5, 1904. During that period the bank has paid dividends amounting to $86,000, and accumulated a surplus of $100,000.

Mr. Brown is an active member of the North Carolina Bankers' Association, of which he has been President. He served two terms on the Executive Council of the American Bankers' Association, having been chosen the last time to succeed Mr. Bigelow, who was elected First Vice-President. He is Treasurer of the City of Raleigh. Mr. Brown has a large acquaintance in his own State and among the bankers of the country. His addresses before the Conventions of the American Bankers' Association have been distinguished by their forcefulness and eloquence and have attracted wide attention and favorable comment.

At the New Orleans Convention, he spoke on "The New South," and also made the response for the South at the New York Convention last year. Both these speeches were listened to with the greatest interest, and were received with marked evidences of appreciation. Mr. Brown is thoroughly familiar with the resources of his section and the genius of the people, and his earnest convictions, broad views and strong sympathies, together with graceful diction, forceful delivery and a winning personality, combine to make him an ideal orator.

While Mr. Brown is the active head of the bank, he is ably seconded by the Cashier, Mr. Henry E. Litchford.

The Vice-President is Col. A. B. Andrews, who is the well-known First Vice-President of the Southern Railway Company.

COMING CONVENTIONS OF BANKERS.

Louisiana, New Orleans	April 25-26
Mississippi, Vicksburg	May 10
North Carolina, Winston-Salem	May 17-19
California, Oakland	May 18-20
Missouri, Kansas City	May 23-24
Oklahoma-Indian Territory, Muskogee	May 25-26
Kansas, Topeka	June 7-8
Connecticut, Norwich	June 13
Texas, Dallas	June 13-14
New York State, Hotel Frontenac	June 13-14
Virginia, Richmond	June 15-17
Tennessee, Lookout Mountain	June 20-21
North Dakota, Grand Forks	July 7-8

Closer Bank Restrictions.—Senator Stevens, the head of the Banking Committee of the New York Legislature, recently introduced two bills which have the approval of the Banking Department and of Gov. Higgins. They provide for a stricter regulation of all the banks of the State.

One of the bills provides that the total liability of any person, company, corporation, or firm to a bank or trust company shall not exceed one-half the actual paid-in capital of such banking institution. The law at present allows a bank to loan to one person or concern one-half of the actual paid-in capital and the surplus.

The second bill provides that it shall be the duty of the directors of every bank and trust company at least twice in a year to cause to be examined the books, papers, and affairs of the institution and particularly to inquire into loans and discounts with a special view of ascertaining the value and security thereof and of the collateral security given in connection therewith. A full written report of the examination, sworn to by the directors making it, shall be filed in the Banking Department in February and August of each year.

A trust company or bank, whose directors fail to make the required report within the specified time, shall forfeit to the State $100 for every day such report shall be delayed.

GEORGIA RAILROAD BANK, AUGUSTA, GA.

The name of this bank recalls an old and honored institution in the annals of Georgia banking, for it is the successor to the banking business of the Georgia Railroad and Banking Company, which dates back to 1833. This institution was intimately associated with the business development of the State for a long period, successfully withstanding financial crises and keeping faith both with its depositors and those who held its notes.

The Georgia Railroad Bank was organized December 31, 1892, with $200,000 capital, having at the present time $280,000 undivided profits, despite the

Georgia Railroad Bank Building.

fact that since organization it has paid out $128,000 in dividends and out of its earnings has erected and paid for one of the costliest and best-equipped bank buildings in the country.

The illustration of the building presented herewith gives an approximate idea of the solidity and beauty of the structure. It is one of the notably fine bank buildings of the country, and its interior arrangement and equipment are of a corresponding standard. Visitors to Augusta coming from the largest cities of the United States are struck with the solid and tasteful home of the Georgia Railroad Bank.

The bank's fine home, the large surplus accumulated, undivided profits and the handsome dividends paid, all bear convincing testimony to the ability with which the bank is managed and its progressive spirit. The officers are men well known in business circles. They are as follows: President, Jacob Phinizy; Vice-President, William A. Latimer; Cashier, Charles G. Goodrich; Assistant-Cashier, Rufus H. Brown.

THE COAL AND IRON NATIONAL BANK OF THE CITY OF NEW YORK.

Among the many successful business enterprises of the past year, the Coal and Iron National Bank of the City of New York, which was opened for business on April 11, 1904, in the building of the Central Railroad of New Jersey, 143 Liberty street, is worthy of especial notice. Occupying a location peculiar to itself, in that it is the only banking institution from

HOME OF THE COAL AND IRON NATIONAL BANK,

Central R. R. of New Jersey Building.

Warren street to Bowling Green west of Broadway, and being especially convenient to the lower west-side ferries (particularly the Pennsylvania and Central Railroad of New Jersey) it has been able to build up a deposit line of $4,000,000 during the first year of its existence—an achievement of which any bank might feel proud, and a record, indeed, which has few parallels. This result has been attained within the strictest limits of prudent commercial banking.

The name of the bank, "Coal and Iron," has been the means of securing the accounts of many of the railroad and coal interests in its neigh-

borhood, and is appealing to all this class of business, who feel that their needs are better understood in an institution thoroughly in touch with their interests. All of this, however, has been without in any way prejudicing any other classes of business or trade, which are as thoroughly protected and recognized by the diversified connections represented in the bank's board of directors, and which guarantees to all these commercial interests an intelligent understanding and appreciation of their needs. It has been largely because this bank has taken this broad and liberal view that it has been enabled to achieve the success that it has, which success has been very materially advanced by the business capacity and sterling integrity of the following board of directors, who have given without limit of their time and influence in behalf of the bank, and the result achieved must be highly gratifying to them. The directors are:

Charles T. Barney, President Knickerbocker Trust Company; Wm. G. Besler, Vice-President and General Manager Central Railroad of New Jersey; D. G. Boissevain, Boissevain & Co., New York and Amsterdam; George H. Campbell, General Superintendent Baltimore and Ohio Railroad; Austin Corbin, Corbin Banking Company; Daniel F. Connor, Whitney & Kemmerer, wholesale coal; Robert W. De Forest, Trustee New York Trust Company; Allison Dodd, President Hudson Coal Company; H. W. Douty, Treasurer Central New Jersey Land Improvement Company; W. Butler Duncan, Jr., Havemeyer Estate; F. L. Eldridge, First Vice-President Knickerbocker Trust Company; George D. Harris, of George D. Harris & Co., coal operators; John C. Juhring, Vice-President Francis H. Leggett & Co.; Anthony A. Lisman, Vice-President Mt. Vernon Trust Company; James H. McGraw, President McGraw Publishing Company; Henry E. Meeker, Meeker & Co., coal; John A. Middleton, First Vice-President Lehigh Valley Railroad; James H. Parker, of J. H. Parker & Co., cotton; Edwin H. Peck, of E. H. & W. J. Peck, coffees; Wm. B. Randall, Trust Officer, Knickerbocker Trust Company; George Sheffield, of Sheffield & McCullough, Members New York Stock Exchange; John T. Sproull, President; Wm. H. Taylor, President Goodwin Car Company; David Taylor, Second Vice-President; Stephen H. Voorhees, Agent Royal Bank of Canada; Leopold Wallach, of Wallach & Cook, 33 Wall street; Samuel Weil, Vice-President Schwarzchild & Sulzberger Company; Wm. H. Woodin, Director American Car and Foundry Company.

The large volume of local business has been built up entirely along commercial lines as distinct from Wall Street business, and firms on the lower west side have found their location and practical business methods of great advantage to them.

The Coal and Iron National Bank has been appointed depository for the City of New York as well as for many of the railroads which have their terminals on West street, thus adding to the confidence already established by the powerful interests which are affiliated with the bank.

A large and constantly increasing out-of-town business has been built up, the bank now numbering among its correspondents some of the best and strongest banks in the country, from whom the Coal and Iron National has not only received accounts, but acts as reserve agent for them, besides giving personal attention to their orders for the purchase and sale of stocks, bonds, etc., and of all other business entrusted to their care. This personal attention of the officers of the bank affords great satisfaction to all of these out-of-town banks, especially the smaller ones, whose wants are sometimes more or less overlooked by some of the larger institutions in the city. The Coal and Iron National is well equipped for handling accounts of out-of-town banks, and has already made many friends in banking circles on account of the fact that the relations with out-of-town correspondents are conducted on the basis that the country bank's interests should receive the same attention as is given by New York commercial houses to their out-of-town customers. This feature is very much appreciated by the country banker, who likes to feel that his interests are well taken care of, besides feeling assured that when he comes to New York on business he will be cordially welcomed.

Connected with the bank are large and substantial burglar-proof steel safe-deposit vaults, which are proving of great value not only to the busi-

ness community in the neighborhood but to many others who appreciate a substantial and absolutely secure place for valuables, etc.

The officers of the bank give their entire time to its business and are accessible at all times to all its customers, who are unqualified in their hearty endorsement of the courteous treatment they receive.

With a continuance of the present conditions governing this bank and with its safe conservative business methods, a continued growth and influence may be confidently expected far beyond the remarkable success already achieved.

INTERNATIONAL COINAGE.—A member of the Canadian Parliament has recently proposed that the circulation of American money in Canada be made a criminal offense, and a leading Canadian banker characterizes this proposition as absurd, inasmuch as Canada needed all the American money she could get.

This has a larger significance than the mere question of the circulation of American coins and bills in the Dominion of Canada. The whole system of coinage, as it is now carried on by the different nations of the globe, is absurd, inasmuch as it involves waste. It would seem as if with the establishment of international postage regulation, the negotiation of arbitration treaties and the growth of an international spirit, bringing the different peoples of the globe closer together, it was about time to think of creating some form of money which would be of universal circulation. There is no good reason why American coins should not circulate in England and English coins in the United States, and the money of both countries in France and Germany. Now that all the principal nations of the earth are upon a gold basis, it ought to be possible to come to some international agreement as to coinage so as to make the moneys of the different nations interchangeable at par. This would be a vast saving in time and expense. With an international coinage and an international clearing house, most of the barbarism which now characterizes international exchange, involving the transfer of gold from one country into another by dangerous transportation across the ocean, and involving constant recoinage, would be done away with or reduced to a minimum. Such a reform would diminish the profits of the middlemen who now act as agents in the exchange of one money for another and its transfer from one market to another. But all labor-saving devices and inventions have that effect.—*Wall Street Journal.*

BANKING IN THE PHILIPPINES.—Charles M. Colton, Cashier of the Bank of Pangasinan, Dagupan, Philippine Islands, writes as follows under date of January 28:

"A bank has recently been organized to do business in this place with a capital of 100,000 pesos (as it appears in our articles) or $50,000 in United States currency.

We have the name of being the first bank to organize with strictly local capital, the big majority being held by Filippinos, and the first bank to begin business outside of the three large centers, Manila, Iloilo and Cebu. It strikes all the Americans that the organization of this bank shows great confidence in the Americans by the natives as there are over two hundred stockholders, and also in the fact that it is less than four months since the bank was first spoken of and we will be ready to open for business within two weeks from date. I know personally that the Honorable Philippine Commission is very much pleased by the new organization as it is an indication of confidence and is one of the surest preventatives that can be had against uprisings as that would mean financial loss to some of the leading men in every town in this province.

It might be of interest to note that rates here vary from one and one-half per cent. to five per cent. a month and a man who gets money on the best of security at fifteen per cent. a year thinks he is getting it cheap."

THE METROPOLITAN SURETY COMPANY OF NEW YORK.

Under the energetic direction of President John J. Caullet, the Metropolitan Surety Company, of New York, has just opened for business with $250,000 capital, which is shortly to be increased. The offices of the Company are at 38 Park Row.

The Company is prepared to guaranty the fidelity of bank officers and employees, as well as of all other persons acting in fiduciary capacities,

JOHN J. CAULLET,
President Metropolitan Surety Co., of New York.

and to furnish bonds of suretyship in all cases where such assurance is required. The officers and directors include men of high reputation in the business and financial world. They are as follows:

President, John J. Caullet; First Vice-President and General Counsel, David McClure; Second Vice-President, Andrew T. Sullivan; Secretary and Treasurer, Frank A. Condon.

Executive Committee: David McClure, Chairman; Clinton D. Burdick, John J. Caullet, Frank A. Condon, Bernard T. Kearns, Andrew T. Sullivan.

Directors: Andrew D. Baird, stone supplies; Frank O. Briggs, Vice-President Roebling Construction Company, State Treasurer New Jersey; Clinton D. Burdick, Vice-President Title Guarantee and Trust Company;

Thomas G. Carlin, mason and builder; John J. Caullet, President; Frank A. Condon, Secretary and Treasurer; Frank D. Creamer, contractors' supplies; Barth S. Cronin, river and harbor improvement contractor; Edward Eyre, President W. R. Grace & Company; G. J. Fleischmann, President Fleischmann Realty Company; George Hildebrand, general contractor; Bernard T. Kearns, President Central Brewing Company; Daniel J. Leary, President Morse Dry Dock and Repair Company; Charles P. McClelland, U. S. General Appraiser; David McClure, counsellor-at-law, First Vice-President and general counsel; Bernard McLain, President McLain Transportation Co.; Henry Roth, real estate and builder; Charles H. Russell, counsellor-at-law; Andrew T. Sullivan, President Nassau Trust Company, Second Vice-President; Geo. A. Walton, President United Heating Company; Thomas G. Webb, Vice-President American Laundry Machinery Company.

President John J. Caullet was born in Salem, N. J., October 8, 1878, and graduated from the Cathedral School, Trenton, later studying at St. Joseph's College, Philadelphia, and at Seton Hall College, graduating from the latter institution in 1899. He engaged in newspaper work, and later studied law. In 1901 he became a clerk in the office of Andrew Freedman in New York, and in the spring of 1902 became Manager of the contract department of the U. S. Fidelity and Guaranty Co. He resigned this position to become acting Vice-President of the Empire State Surety Co., later resigning to organize the Metropolitan Surety Co.

Although still a young man Mr. Caullet has had wide and successful experience in the field of corporate suretyship.

MODERN BANKING METHODS.—The Bankers' Publishing Company, New York, issues the excellent work, "Modern Banking Methods and Practical Bank Bookkeeping," by Albert R. Barrett, C. P. A., formerly bank expert for the United States Treasury Department, and bank examiner. He starts in the first chapter with "The first thing to be decided in starting a bank is whether the bank is needed, a consideration that is often neglected by those who start new banks." But he goes into the details of bank organization, even to the details of ruling the books, and gives much invaluable information to bookkeepers and accountants for banks.

There are some chapters those city bankers who offer all sorts of inducements to get accounts should read. "Determining the Value of an Account" should come within the view of Presidents, Cashiers and directors.

The book is good enough for the writer to say that a copy should be in every bank in Indiana. If some of our bankers read good books on banking, there probably would be less agitation for legislation regulating private banks. Right information is protective against failures.—*Indianapolis (Ind.) Commercial Reporter.*

New Counterfeit $10 United States ("Buffalo") Note.—Series of 1901; check letter B; face plate No. 202; back plate No. 104; J. W. Lyons, Register; Ellis H. Roberts, Treasurer.

This is an excellent counterfeit. Photomechanical production, probably lithographic. The number of the sample under inspection is 31940946. Coloring of the numbers is darker than the genuine, but the color of the seal and the large "X" closely approximates the genuine. The impression of the seal is the most defective feature of the note, being muddy, and the lettering in the inner circle being badly broken. The red ink used in both seal and numbering appears to lack adhesiveness, and for that reason the impressions are not clean and complete. The cycloidal work in the panel under the numbering, left bottom of note, is badly broken, there being no continuity to the lines. The printed design on the face of the note is fully one-sixteenth of an inch shorter than the genuine and slightly narrower.

In the portrait of Clark the stipple work under the right eye and right side of forehead is omitted. The portrait of Lewis is muddy and lacks detail. The lathe work of the note is excellent. The color of the back is lighter and is of a yellowish green tint.

The note is printed on a single piece of paper, and some bits of fibre have been attached to the surface of the note under pressure; and in the white panels on the back of the note, in addition to the scattered fibre on the surface, there are green lines in imitation of fibre printed on the surface.

This note was detected by a counter of the Corn Exchange Bank, of New York City.

LOOSE-LEAF LEDGERS AND IMPROVED BINDERS FOR BANKERS' USE.

C. E. Sheppard started in the loose-leaf business some ten years ago in Chicago, when the line was in its infancy, investing some savings in the old Krag Manufacturing Co., who had the American rights to manufacture binders under the Tengwall patent. This binder became very popular after its introduction at the World's Fair in Chicago in 1893. It was a Swedish invention that allowed the insertion on removal of sheets from any part of the

C. E. SHEPPARD.

book by use of four curved prongs, two of which are fastened to each side of the binder, and a divided back that allows the sheets to fall on either set of two prongs when open. This binder had been manufactured in Sweden for several years prior to 1893 but only in a few stock sizes and one thickness, the two-inch capacity. American ingenuity soon produced the binder in four thicknesses from one to four-inches in capacity, and devised machinery to cut out special lengths so that it could be made in any size to accommodate sheets already in use, and it was quickly adopted by the large offices and banks throughout the country for filing their records, there being then nothing on the market for that purpose between the expensive loose-leaf ledger and the time-honored two-post binder with the unsightly posts protruding,

and this binder gave them a neatly bound book in appearance and inexpensive in cost.

Mr. Sheppard foresaw the possibilities of this device and the utility of the loose-leaf system for records, and gave up a lucrative position with E. H. Sargent & Co. of Chicago, one of the oldest concerns there, where he was secretary and office manager before he entered the loose-leaf field. He applied himself closely to studying the manufacture and costs of these binders, prepared the first catalogue issued in the business, and after spending a few years at that end of the business he asked for an eastern selling agency, realizing that the seat of the largest business would be among the large corporations of New York. His request was granted, and he came to New York in 1900 and opened an office at 92 Liberty St. One of his first orders taken in New York was for the stock ledgers of the United States Steel Corporation, 100 ledgers and 100,000 sheets. The sales work was very successful in the East from the start, and soon it was found necessary to establish a factory in New York to handle the orders from this section, the sales having been larger than at the home office. After getting the necessary privilege to manufacture under the patents the Chicago Company, which had changed its name to the Tengwall File & Ledger Co., an eastern factory was established by Mr. Sheppard, and a consolidation was effected in 1902 between the C. E. Sheppard Co. and the Tengwall Co. so that the business was conducted under the name of the Tengwall Co. Mr. Sheppard traveled the Eastern States, starting branch offices in the larger cities and extended the territory of the eastern factory south and west until it covered about one-half of the country. In 1904 the Tengwall patent expired in Sweden and under the laws of this country it expired here at the same time, and as the larger organization had not proven as profitable to Mr. Sheppard personally as the smaller one, and as he had made a mistake common to young business men, of parting with the control of his company to interest additional capital, he resigned as President of the Tengwall Company of New York and revived the name of the C. E. Sheppard Co., retaining the most experienced of his old associates, and putting on the market an Improved Tengwall Binder, which has become even more popular than the old one was.

Mr. Sheppard has also put on the market a new ledger with a screw mechanism that is being adopted rapidly by the eastern banks for their daily balance and depositors' ledgers, it giving them a more perfect alignment of the sheets than is possible with the prong binder. The banks have been the most conservative class to adopt the loose-leaf system and numerous legal objections have been raised and fully answered by the various manufacturers. A favorite answer of Mr. Sheppard's to a banker who raises the objection that he is afraid of losing a sheet under this system, is to ask how many checks are lost out of the immense number handled and to compare the added security of a locked binder, only opened occasionally to add new sheets, with the free handling of the small checks. The most valuable records are, after all, loose sheets.

Mr. Sheppard has just added THE BANKERS' MAGAZINE to his advertising list, and hopes to get more closely in touch with its readers through the advertising columns, believing that in no other line of business is there as much demand for loose-leaf binders as among the banks.

Cuban Bank Notes.—The Cuban House of Representatives on January 20 unanimously adopted a resolution inquiring of President Palma why the National Bank of Cuba was permitted to issue bank notes without the authority of Congress, and why it was permitted to print on those notes portraits of President Palma, Minister of Finance Montes, and others. The Congressmen allege that the notes are issued in violation of the Spanish commercial code, which has never been repealed.

The American officials of the National Bank of Cuba say the issue of notes is authorized by the bank's charter, which the Government of intervention approved; that the issue does not violate the Spanish Commercial Code; that the conditions under which the Spanish bank formerly explicitly issued bank notes were removed by the change in Government, and that no formal consent of the Government was necessary for the proposed issue.

President Palma and Minister Montes were informally consulted and personally approved the issue. The notes are payable in Spanish gold.

BANKING IN AUSTRALIA.

[From United States Consul Baker, Sydney, New South Wales.]

The Australian bank failures of 1893 were in no sense due to inflation. There is not and never has been any inflation of banking currency in Australia, for the reason that bank notes have always been payable on demand, except during a short period of the crisis when the notes of some of the banks were made legal tender by special legislation. This did not result in any material increase of the note circulation, the crisis having been practically stopped by this action and by the current account depositor's act hereinafter mentioned.

The note circulation during a period of eight years, for which a calculation was made by me, did not vary to any appreciable extent. During this period the deposits in the banks increased to more than $50,000,000, advances to more than $80,000,000, and assets to more than $90,000,000, and during the three years when the note circulation was lowest there was the greatest increase in the banking assets.

In answer to the question whether the system of "asset currency" meets the needs of the country, my reply is that it can hardly be said that there is a system in Australia answering to the designation "asset currency." At the time of the crisis in 1893 an act was passed in New South Wales which provided as a permanent enactment that notes payable on demand issued by any bank should be a first charge on all assets available for payment of debts. This has not, however, resulted in any increase of the currency.

Power was given by this act to the governor in council (that is, the executive government) to declare by proclamation that notes payable by any bank should be legal tender if it appeared that the assets of the bank exceeded its liabilities, and such proclamation was made affecting four of the leading banks which had not suspended payment, but for a period of six months only.

By another act, entitled "The current account depositors' act," the treasurer was empowered to issue legal-tender treasury notes to a limited amount, and to apply them in payment to the depositors of one-half of their current accounts in the banks under reconstruction, the treasurer taking the place of the depositors as creditors of the banks. As the treasury was paid by the banks the amount of the advances on the notes were canceled. I am under the impression that bank notes are also made a first charge in some of the other states of the confederacy.

A depositor has no security on current account in Australia, nor are deposits on current accounts a first charge, as are notes issued.

A characteristic of Australian banking is the enormous amount of deposits in proportion to population, the deposits in the banks of Australia being a few years ago $530,000,000, compared with somewhat more than $3,795,000,000 in the United Kingdom, where the population was approximately ten times larger.

ADDITIONAL BANKING NEWS.

Yonkers, N. Y.—An interesting statement is furnished by the First National Bank, showing the condition of the bank at the close of business March 14. The statement is printed on paper closely resembling parchment, and is the same paper used for printing notes when the bank was operating under the State banking law. The original charter as a State institution was obtained in 1854. The First National Bank, of Yonkers, has $150,000 capital, $73,511 surplus and profits, and deposits, $1,553,160.

ORGANIZATION OF NATIONAL BANKS.

Fifty National banks, with capital of $2,190,000 and bond deposit of $637,350, were chartered during the month of March. Included in the number chartered during this period thirty-three, with five exceptions, were with the minimum capital of $25,000, and seventeen with individual capital ranging from $50,000 to $200,000.

The work of the past month brings the total number of organizations of National banks since March 14, 1900, up to 2,411, with capital of $139,895,300, and bond deposit of $34,884,550. With very few exceptions banks organized under authority of the act of March 14, 1900, were with capital of $25,000, the exceptions bringing the average capital to approximately $26,000. The number of organizations with the minimum amount of capital stock, established in the period in question, was 1,567, with capital of $40,862,500. In the same time 844 charters were granted to banks with aggregate capital of $99,032,800, the individual capital ranging upward from $50,000, the average being approximately $117,000. The average capital of all banks organized during this period is but slightly in excess of $58,000.

While, as heretofore stated, there has been a gross increase of 2,411 National banks since March 14, 1900, it should be stated that 271 of the associations were conversions of State banks, 808 reorganizations of incorporated or private banks, and that but 1,332 were banks of primary organization.

Comparing conditions existing on March 14, 1900, with March 31, 1905, there has been a net increase in number of associations of 2,027 and capital of $175,541,240, the number and capital of banks existing at the close of business on March 31, 1905, being 5,644 and $791,849,335, respectively. The banks in operation have on deposit with the Treasurer of the United States in trust as security for circulation bonds to the amount of $449,009,890, on which circulation has been issued to the extent of $444,870,179. There is outstanding secured by deposits of lawful money, by banks placed in liquidation, those reducing their issues, and on account of insolvent National banks, circulation to the amount of $31,078,766, which makes the total amount of notes in circulation $475,948,945. The increase in bond-secured circulation since March 14, 1900, is $228,495,384, and including the amount secured by deposits of lawful money $221,546,215.

ADDITIONAL BANKING NEWS.

New Jersey Bankers' Association.—The second annual convention of the New Jersey Bankers' Association was held at Atlantic City, March 17 and 18, President Uzal H. McCarter in the Chair. Jordan P. Rollins, of New York, spoke on "The Power of Attorney from Executors and Trustees from the Viewpoint of Depositories;" James G. Cannon, Vice-President of the Fourth National Bank, New York, made an address on "Bank Credits;" Clark Williams, Vice-President of the United States Mortgage and Trust Co., New York, spoke on the danger banks incurred in accepting municipal bonds as security.

Other important features of the convention were the annual address of President McCarter, the address of F. W. Lafrentz, Comptroller of the American Surety Co., New York, on "Bank Money Orders," and the banquet at the Hotel Chelsea, Governor Edward C. Stokes and ex-Attorney-General John W. Griggs being the principal speakers. Officers were chosen as follows:

President, E. S. Campbell of the National Newark Banking Co.; Vice-President, Carlton Godfrey, President of the Guarantee Trust Co., Atlantic City.

Treasurer, H. G. Parker, of the National Bank of New Jersey, Newark.

Secretary, Wm. J. Field, of the Commercial Trust, Jersey City.

Members of the Executive Commitee: U. H. McCarter, President, Fidelity Trust Co., Newark; W. F. Arnold, of the City National Bank, Plainfield; Samuel Freeman, Morristown Trust Co.

A BANK STATEMENT MADE PLAIN.

We have received from the People's National Bank, Tarentum, Pa., a copy of the statement of the bank made in response to the call of the Comptroller of the Currency, January 11, 1905, analyzed and explained so as to be easily understood by everybody. Following is the statement, together with the explanation of the several items:

RESOURCES.

Loans and Discounts—

Demand Loans—It is a point with us to have a good portion of our loans payable on demand; secured by first class stocks and bonds—so that if necessary they can be at once converted into cash. Our loans of this nature amount to $156,447.95

Time Loans—These loans are secured by first class stocks, bonds and personal endorsement—as highly regarded in every respect as our demand loans, the only difference being that they are made for specified periods—none, however, longer than four months. Our Time Loans aggregate 182,054.40

Reserve—

This consists of ready cash which must, according to law, at all times amount to at least 15 per cent. of the deposits. Our reserve is made up as follows:

Actual cash in vaults (gold, silver and currency—) $20,801.43

Cash deposited in Pittsburg and New York banks subject to our check—............... 73,289.64

Making a total reserve of over 24 per cent. of our deposits, and amounting to 94,091.07

Redemption Fund with U. S. Treasurer—

All national banks are required to keep on deposit with the Treasurer of the United States a sum of money equal to 5 per cent. of their circulation. This bank has outstanding $50,000.00 of National Bank Notes (Circulation) 5 per cent. of this amount, or the amount of our deposit with the U. S. Treasurer is.... 2,500.00

Against this deposit is charged all notes of this bank which are returned to the U. S. Treasurer in a mutilated condition—these notes are then destroyed, new notes being issued to the bank after the Redemption Fund has been reimbursed for the amount charged against it.

Bonds—

Our line comprises U. S. Government bonds and other high class bonds of staple value that are easily convertible into cash on short notice, if necessary. Subdivided they are as follows:

U. S. Bonds at par—......................... $50,000.00

Other bonds at par—......................... 30,000.00

Premium on U. S. Bonds; i. e., the amount paid for the bonds in excess of their par value, but which is less than their present market value 2,000.00

Total bond account—.................................. 82,000.00

Banking House—Furniture and Fixtures—

The bank owns the property and building in which its business is conducted. The property has a frontage of 66.52 feet on Fifth Avenue, and 69 feet on Wood Street, and is conservatively carried at.............. 10,000.00

Furniture and Fixtures—

Included in this item are the Vault equipment, Steel Safe, Safe Deposit Boxes and all other fixtures and furnishings of every description..................... 1,500.00

Total Resources—

Our total resources as shown and explained above aggregate $528,593.42

LIABILITIES.

Deposits—

Belonging to nearly two thousand people		$385,810.33
National Bank Notes Outstanding—		
These notes are guaranteed by a deposit with the U. S. Treasurer of $50,000.00 in the United States Government Bonds—		50,000.00
Total actual liabilities—		$435,810.33
As Nominal Liabilities to balance the account, we have—		
CAPITAL STOCK—	$50,000.00	
SURPLUS AND PROFITS—Surplus is a certain portion of the earnings set aside for a safeguard. The Government considers a bank sound when its surplus equals one-fifth of its capital. Our surplus fund of $40,000.00 is equal to four-fifths of our capital, and this amount added to undivided profits of $2,783 gives us Surplus and Profits aggregating	42,783.09	
which added to the Capital stock makes an excess of assets over Liabilities of		$92,783.09
		$528,593.42

Add to this the shareholders' liability of $50,000.00, divided among Tarentum's best business men and women, and the result shows a total of nearly $143,000.00 between our depositors and any possible loss.

Accompanying the statement is the following letter:

Tarentum, Pa., March 10, 1905.

Editor Bankers' Magazine:

Sir: We are sending you herewith a statement of the condition of this bank, that we think will interest you.

Ordinarily the statement of a bank means little to the depositor—even the bank directors frequently fail to understand the full meaning of the figures presented.

We feel that this is a mistake. A statement should be so made out that everybody will understand it. Those who do business with a bank have a right to know just what its condition is, and this bank at least is anxious that everybody should know how strong it is, and how well able to serve its depositors.

The enclosed statement aims to present the various items of resource and liability in a way that can be understood by anybody. It is somewhat of a new idea in the way of bank statements.

Very truly yours, THOS. W. POMEROY, Cashier.

Hanging for Trust Magnates.—The following account of a meeting of the oil producers of Kansas who are opposed to the Standard Oil Company was recently published:

"Thomas Benton Murdock, who stands close to the State administration, fired the producers with incendiary threats. He said:

'After a little the people of the country will rise up and hang a few Rockefellers and other kinds of buzzards who rob the people, not forgetting to include in the general hangings a squad or two of high court Judges, when all this plundering and robbing, all these 'technical' court proceedings will stop. For my part, I would like to see the hangings commence tomorrow.

I am a private citizen, you know, and speak for nobody but myself, but I am more thoroughly convinced than ever that something radical will have to be done in this land of the free and home of the brave, or modest, private citizens like myself will have to move out. Everything we eat, everything we drink is either controlled by a trust or is adulterated. Congress will do nothing, so it is time for the people to begin to get ready to do something.'"

Such wild talk is the legitimate fruit of the anti-capitalistic campaign begun by Mr. Bryan and since widely imitated.

CONDITION OF THE NATIONAL BANKS.

Abstract of reports of condition of National banks in the United States on September 6 and November 10, 1904, and January 11, 1905. Total number of banks reporting on January 22, 1904, 5,180; January 11, 1905, 5,528; increase, 348.

RESOURCES.	*Sept. 6, 1904.*	*Nov. 10, 1904.*	*Jan. 11, 1905.*
Loans and discounts	$3,726,151,419	$3,772,638,941	$3,728,166,086
Overdrafts	31,777,951	54,941,935	43,749,807
U. S. bonds to secure circulation	418,408,810	425,759,090	431,776,740
U. S. bonds to secure U. S. deposits	108,604,060	107,566,650	104,745,850
Other bonds to secure U. S. deposits	11,658,788	6,757,038	6,021,245
U. S. bonds on hand	13,210,760	15,479,900	15,143,710
Premiums on U. S. bonds	16,210,618	15,732,869	15,612,280
Bonds, securities, etc	589,241,085	595,277,595	606,082,723
Banking house, furniture and fixtures	119,753,526	122,149,605	124,169,036
Other real estate owned	20,330,281	20,608,557	20,488,624
Due from National banks	302,316,207	334,318,962	330,756,055
Due from State banks and bankers, etc	97,482,450	116,058,470	118,614,532
Due from approved reserve agents	562,610,307	548,144,834	542,193,651
Internal-revenue stamps	10,145	6,517	....
Checks and other cash items	30,534,061	29,204,470	31,442,581
Exchanges for clearing-house	213,166,623	341,996,191	268,374,984
Bills of other National banks	26,826,955	27,530,385	32,637,401
Fractional currency, nickels and cents	1,793,498	1,758,792	1,937,597
Specie	504,742,985	484,187,821	491,849,029
Legal-tender notes	156,707,594	157,942,968	178,122,523
Five per cent. redemption fund	20,398,096	20,706,134	21,006,860
Due from U. S. Treasurer	3,246,286	3,222,233	5,959,862
Total	$6,975,086,504	$7,196,991,955	$7,117,800,553
LIABILITIES.			
Capital stock paid in	$770,777,854	$776,089,401	$776,916,147
Surplus fund	396,505,508	399,961,534	406,177,675
Undivided profits, less expenses and taxes	186,631,539	195,366,258	183,994,736
National bank notes outstanding	411,231,095	419,120,020	424,345,432
State bank notes outstanding	42,663	42,663	40,344
Due to other National banks	764,571,716	761,568,172	753,871,539
Due to State banks and bankers	319,779,238	312,830,832	312,837,450
Due to trust companies and Savings banks	445,565,539	399,438,881	426,334,365
Due to approved reserve agents	31,335,847	38,793,020	41,564,507
Dividends unpaid	973,952	1,450,704	3,466,835
Individual deposits	3,458,216,667	3,707,706,530	3,612,499,598
U. S. deposits	100,965,682	101,336,914	97,417,684
Deposits of U. S. disbursing officers	9,801,247	8,965,600	8,976,352
Bonds borrowed	31,284,485	33,445,272	34,231,741
Notes and bills rediscounted	11,881,678	8,642,079	6,666,756
Bills payable	25,458,378	25,508,404	20,858,455
Liabilities other than those above	7,063,407	6,725,664	7,600,977
Total	$6,975,086,504	$7,196,991,935	$7,117,800,553

Changes in the principal items of resources and liabilities of National banks as shown by the returns on Jan. 11, 1905, as compared with the returns on Nov. 10, 1904, and Jan. 22, 1904.

ITEMS.	SINCE NOV. 10, 1904.		SINCE JAN. 22, 1904.	
	Increase.	*Decrease.*	*Increase.*	*Decrease.*
Loans and discounts	....	$44,472,855	$258,971,042	....
U. S. bonds	$2,860,160	....	12,704,010	....
Due from National banks, State banks and bankers and reserve agents	....	1,958,027	98,150,805	....
Specie	7,661,208	....	38,657,476	....
Legal tenders	20,179,555	....	16,687,924	....
Capital stock	826,746	....	11,654,507	....
Surplus and other profits	....	5,155,379	26,915,671	....
Circulation	5,225,432	....	43,353,125	....
Due to National and State banks and bankers	21,976,956	....	211,693,290	....
Individual deposits	....	95,206,932	311,879,700	....
United States Government deposits	....	3,908,528	....	56,900,793
Bills payable and rediscounts	....	6,625,272	....	517,074
Total resources	....	79,191,402	540,922,390	....

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—On or about May 1 the Chemical National Bank will remove to temporary quarters in the Barclay Building, 303 Broadway, corner of Duane street, which will be occupied during the time necessary for the erection of a new banking house on the present site.

—The Bankers' Trust Company completed its second year of business on March 30 with deposits of over $22,000,000, an increase of $4,000,000 since the last semi-annual statement of December 31. The company recently paid its third quarterly dividend at the rate of six per cent.

—An attractive pamphlet has been issued by the Lincoln Trust Company, showing the safeguards which the laws of New York throw around the trust companies. It is declared that "In no instance in the history of trust companies in this State, which dates back nearly one hundred years, has the winding up or liquidation of such an institution caused the loss of a single dollar of deposits to a fiduciary client. In fact there has been no failure of a trust company in this State within a score of years, and never but two in all. Moreover, with a single exception, no trust company has sustained in recent years even an impairment of capital."

While the stringent laws have contributed towards such admirable results, it is pointed out that, after all, the real strength and stability of a fiduciary institution are to be found in the character of the directorate. In this respect the Lincoln Trust Company is most fortunate, its board of directors being especially strong, as may be seen from the list given below:

George C. Boldt, President Waldorf-Astoria Hotel Co.; George C. Clark, Clark, Dodge & Co., bankers; John B. Dennis, Blair & Co., bankers; Robert E. Dowling, real estate; Charles S. Fairchild, Chairman New York Security and Trust Co.; Robert M. Gallaway, President Merchants' National Bank; Harrison E. Gawtry, President Consolidated Gas Co.; John R. Hegeman, President Metropolitan Life Insurance Co.; John D. Hicks, trustee Bowery Savings Bank; Charles F. Hoffmann, Hoffmann Estate; Edward Holbrook, President Gorham Manufacturing Co.; Abram M. Hyatt, retired; Bradish Johnson, Bradish Johnson Estate; Clarence H. Kelsey, President Title Guarantee and Trust Co.; William C. Lane, President Standard Trust Co.; Morton F. Plant, capitalist; J. Harsen Rhoades, President Greenwich Savings Bank; Douglas Robinson, real estate; James I. Raymond, A. A. Vantine & Co.; William Salomon, Wm. Salomon & Co., bankers; B. Aymar Sands, Bowers & Sands, lawyers; Louis Stern, Stern Brothers, dry goods; William C. Sturges, President Seamen's Bank for Savings; Samuel D. Styles, President North River Savings Bank; Frank Tilford, Park & Tilford; Archibald Turner, President Franklin Savings Bank; Henry R. Wilson, President; William G. Park, Pittsburg, Pa.; William Felsinger, President New York Savings Bank.

The officers of the Lincoln Trust Company are: Henry R. Wilson, President, Frank Tilford, Vice-President; Owen Ward, second Vice-President; Robert C. Lewis, Treasurer; William Darrow, Jr., Secretary; E. C. Wilson, Assistant Treasurer.

The company has a capital and surplus of one million dollars, while the total resources exceed $13,000,000.

—George W. Young has resigned as President of the United States Mortgage and Trust Company, and has been succeeded by George M. Cumming, formerly Vice-President. Mr. Young resigned for the purpose of engaging in the banking business, and has established the firm of George W. Young & Co., with offices at 59 Cedar street.

Mr. Young's final report as President of the United States Mortgage and Trust Company, as made to the board of directors, showing an increase in assets during his administration from $7,000,000, to $46,000,000, and total net earnings of over $6,250,000, of which $2,250,000 had been paid in dividends and $4,000,000 added to surplus in ten years.

Mr. Young will continue to be associated with the company, having been elected president of the board of directors.

—It is reported that the stock of the Phenix National Bank, of this city, has been purchased by a syndicate comprised of J. P. Morgan & Co., August

Belmont & Co., and F. E. Marshall, of St. Louis, and his associates, and E. F. Swinney President of the First National Bank, Kansas City. Mr. Marshall, who is now Vice-President of the National Bank of Commerce, St. Louis, will, according to the report, become President of the Phenix National.

—The Metropolitan Bank will be organized to succeed the Maiden Lane National, which will be liquidated. Metropolitan Life Insurance interests will control the new bank, which will be located in the Metropolitan Life Building at Madison avenue and Twenty-third street. It is the intention to make the capital of the new bank $1,000,000, and to operate branches, one of which will be at 100 William street, where the Maiden Lane National is now situated.

—Messrs. Redmond & Co. will erect a banking house on the property 31 and 33 Pine street, which has been purchased by Henry S. Redmond, senior member of the firm.

—Edward B. Wire, Assistant Cashier of the National Bank of North America, has been appointed Cashier to succeed Alfred H. Curtis, elected President, in place of Richard L. Edwards, resigned.

—The Jenkins Trust Co. has filed a certificate of organization with the county clerk of Kings county. The capitalists interested, who are also the incorporators, are: John G. Jenkins, Sr., and John G. Jenkins, Jr., of the First National Bank; H. B. Scharmann, H. F. Scharmann, Augustus C. Scharmann, Edward T. Jackman, Frederick S. B. Jackman, Herman Popper, Louis H. Irwin, Charles L. Feltman, Richard K. Maldane, Harry P. MacPherson and John Moller.

—The Institution for the Savings of Merchants' Clerks, Fifteenth street and Union Square East, has changed its name to the Union Square Savings Bank.

—The Bank of Long Island, whose head office is at Jamaica, is building up a good line of deposits, representing on March 2 a total of $3,297,885. Branches of the bank are operated at Flushing, Far Rockaway, Rockaway Beach, Richmond Hill, Elmhurst and College Point.

—Vermilye & Co. have dissolved, five of the members of the firm going into business under the name of Mackay & Co. at Nassau and Cedar streets.

—An amendment in the articles of association of the Gallatin National Bank was made recently permitting the bank to elect fifteen directors hereafter instead of eight.

—On March 27 announcement was made of the sale of the Gansevoort Bank to the Fourteenth Street Bank, T. Albeus Adams, President of the Gansevoort Bank, being succeeded by President R. Ross Appleton, head of the Fourteenth Street Bank.

The Gansevoort Bank was established in 1889. Mr. Adams became its President in 1901; since his accession to the presidency the deposits have increased from $660,000 to $2,795,000. The capital is $200,000.

—New York Chapter of the American Institute of Bank Clerks met in regular session on the evening of March 23 at the rooms of the chapter, 32 Waverley Place. There was a good attendance of members and others. Addresses were made by Thomas F. Woodlock, editor of the "Wall Street Journal," on "Securities, Values and Prices;" by J. C. Martine, of the National City Bank, on "Character of Banking Credit;" by Mellon Wicks, of the Mount Morris Bank, on "The Imperial German Bank," and by N. D. Alling, of the Nassau Bank, on "Negotiation Paper."

—Charles A. Conant, Treasurer of the Morton Trust Company, and a well-known authority on financial topics, lectured before the New York University School of Commerce, Accounts and Finance on the evening of March 14, his subject being the movement to secure a stable exchange between gold-standard and silver-using countries—a movement to which he has given close study and arduous efforts, with good results.

—The Mechanics Bank of Brooklyn will increase its capital from $500,000 to $1,000,000. Details for merging the Sprague National with this bank have been completed, and hereafter the Sprague National will be operated as the central branch of the Mechanics' Bank.

—Charles W. Morse was elected Vice-President of the National Bank of North America, March 9.

—Richard L. Edwards, President of the National Bank of North America, resigned his office on March 9, and has been succeeded by Alfred H. Curtis, formerly Cashier.

Mr. Edwards was one of the oldest bank Presidents in the city in point of service. He was formerly President of the New York Gold Exchange Bank, and in 1879 became President of the Bank of the State of New York, holding that office until 1902, when the bank was merged with the National Bank of North America, of which he became President. Mr. Edwards will continue to be a director of the latter institution.

—Control of the Union Bank, of Brooklyn, has been acquired by the Stuyvesant Bank, and the two institutions will be merged under the name

of the Union Bank, of which the Stuyvesant will become a branch. Both banks had branches, which will be continued.

David A. Sullivan, President of the Stuyvesant Bank, succeeds Hon. Stephen M. Griswold as President of the Union Bank.

—The Hanover National Bank accompanied its application for the second extension of its charter with a comparative statement of its condition on March 10, 1885, when the first application was made for an extension of the charter, and on March 10, 1905, showing the growth in twenty years. The principal items follow:

	Mar. 10, 1905.	Mar. 10, 1885.
Total resources	$108,007,884	$12,375,569
Capital	3,000,000	1,000,000
Surplus	6,000,000	525,000
Undivided profits	825,718	100,308
Circulation	50,000	360,000
Individual deposits	47,927,265	3,506,639
Deposits of banks and trust companies..	45,572,949	6,881,712
United States deposits	2,850,284	....
Loans	44,261,543	6,615,510
United States bonds	3,094,000	400,000
Stocks, securities, etc	2,959,922	3,000
Due from banks	4,238,000	571,200
Real estate	5,089,800	37,754
Exchanges for clearings	31,916,100	747,400
Specie	12,290,200	3,530,600
Legal tenders	3,991,800	370,800

—A new trust company has been organized in Brooklyn under the name of the Home Trust Company of New York. Its capital and surplus of $750,-000 have been heavily over-subscribed. The company starts business with strong assurances of support. A specialty will be made of handling accounts for the large and thrifty Scandinavian population of Brooklyn and Long Island. Several members of the board of directors including the President, Mr. J. Edward Swanstrom, formerly President of the Borough of Brooklyn, are Scandinavians by birth. The officers and directors of the Company are: President, J. Edward Swanstrom; Vice-President, William C. Redfield; Vice-President, James N. Brown; Secretary, Harold A. Davidson; Assistant Secretary, Andrew H. Mars. Directors: Eugene F. Barnes, James N. Brown, Charles M. Bull, William M. Calder, Audley Clarke, Henry K. Dyer, Henry A. Fairbairn, M.D., William G. Gilmore, Frederick E. Gunnison, George R. Moon, Ludwig Nissen, Thomas P. Peters, David Porter, Niels Poulson, William C. Redfield, Solomon Rubin, J. Edward Swanstrom, Charles E. Teale, John Thatcher, Robert H. Thompson, Silas Tuttle, James Weir, Jr. The offices of the Company were opened for business April 5, at 184 Montague street, Brooklyn.

—On March 9 the directors of the Central Realty Bond and Trust Co. and the Lawyers' Title Insurance Co. approved the plan for merging the two companies.

Under the proposed merger the name of the Lawyers' Title Insurance Company of New York will be the Lawyers' Title Insurance and Trust Company. The capital stock of the Lawyers' Title Insurance Company of New York will be increased from $3,500,000 to $4,000,000, and the additional 5,000 shares of stock will be issued to the stockholders of the Central Realty Bond and Trust Company in exchange for their shares. A cash dividend of $550 a share also will be paid by the Lawyers' Company out of the assets of the Central Realty Bond and Trust Company to the stockholders of the latter.

—Arrangements have been completed for the organization of a French company for the better handling of American securities in France. The company, which will be called the Société Financière Franco-Americaine, will be organized under the auspices of Speyer & Co. of New York and the Banque de l'Union Parisienne of Paris. The initial capital will be $5,000,000.

The company will invest in American securities and issue its own obligations against such securities, these obligations being placed in France. The company, which is similar to the English and Scotch investment companies, is the first of its kind to be organized in France for the handling of American securities, and it is believed will lead to largely increased dealings therein. The board of directors will include James Speyer and other New Yorkers and some of the leading Paris bankers.

—Messrs. Fisk & Robinson in their "Monthly Bulletin of Investments" for March say:

"The demand for railroad bonds continues good. New issues are readily absorbed and most of the older issues record a higher level from day to day. Many of the latter now seldom appear in the market and when available are eagerly purchased by investors. No events have occurred during February to disturb the confidence of investors and the factors favoring the outlook are numerous. Among these may be mentioned the increased reserve of money in European centres and the consequent outlook for lower rates abroad, the decline in sterling exchange prohibiting further profitable shipments of gold from New York, the expectation that the war in the Far

East will soon terminate and the strong showing made by the railroads of the country.

The ready sale of $75,000,000 Southern Pacific Refunding four per cent. Bonds and $25,000,000 Missouri Pacific Collateral 4's is an indication of the investment situation. Dealings in bonds on the New York Stock Exchange during February show a total of about $120,000,000, which is larger than in any similar period in the history of the Exchange.

Money on call has ranged from three to 1¾ per cent. per annum, averaging very slightly over 2 per cent. during the month. Time rates are quoted at three per cent. per annum for sixty days, 3¼ per cent. for periods of from three to four months and 3½ per cent. for six to eight months' loans.

Following the slight advance in prices noted in our last bulletin, the Government bond market for the past month ruled quiet and firm and closed without material change in prices.

Institutions owning bonds released by the return of a portion of their public deposits have shown little disposition to dispose of their holdings at present prices and in a number of cases are using their bonds as a basis for additional circulation. The absorption of bonds for this purpose has been continuous and the amount of circulation outstanding has steadily increased until today it amounts to $468,000,000, the largest amount ever outstanding at one time and an advance of about $38,000,000 over the amount outstanding at this time a year ago. While the policy of increasing circulation is being so generally adopted, it is perhaps not surprising to find that applications to retire circulation have gradually fallen off, and actual withdrawals during the month have amounted to but $360,000, out of applications filed to the extent of $484,000. There have been practically no applications for retirement during March.

It looks now as if the call of the Secretary on National banks for a return of 15 per cent. of their public deposits on the fifteenth of this month would provide the Government with sufficient working capital for some time to come unless unforeseen demands are made upon it for the construction of the Panama Canal. The Treasury statements show for the month just ended an excess of receipts over expenditures of nearly $4,000,000, thus reducing the deficit for the fiscal year to date to less than $25,000,000. In this connection, it may be interesting to note that the Government receipts for the fiscal year to date are approximately the same as those of the year before, while the expenditures show an increase of nearly $30,000,000 as compared with the figures for a year ago."

NEW ENGLAND STATES.

Massachusetts Bankers' Association.—At a meeting which followed a banquet at the Hotel Brunswick, Boston, on the evening of March 22, delegates to the number of 223, representing National and Savings banks and trust companies throughout the State, organized the Massachusetts Bankers' Association.

C. H. Ramsay, Cashier of the Winthrop National Bank, Boston, presided. In outlining the purposes of the meeting he stated that there were 445 institutions in the State eligible to membership. He hoped the new organization would include all, as there were mutual interests which such an association could well protect. He added that legislation affecting banking institutions could be watched and considered to advantage.

The presiding officer then called upon the following guests, who responded for the organizations which they represented, telling what had been accomplished along the same lines outside of Massachusetts and suggesting possibilities of the future: E. O. Eldredge, secretary New York Bankers' Association; F. P. Furlong, representing the Connecticut Bankers' Association; William F. Hills, and N. W. Jordan, Vice-President of the trust company section of the American Bankers' Association.

The following officers of the Massachusetts Bankers' Association were chosen: H. M. Batchelder, President Merchants' National Bank, Salem, President; W. D. Luey, Vice-President Worcester Trust Company, Worcester, Vice-President; E. H. Lowell, Cashier Winnisimmet National Bank, Chelsea, Treasurer; H. G. Townsend, Cashier Fitchburg National Bank, Fitchburg; Pierre Jay, Vice-President Old Colony Trust Company, Boston; I. D. Ferry, President Agricultural National Bank, Pittsfield; Joseph Shattuck, Jr., Treasurer Springfield Institution for Savings, Springfield; William F. Hills, Vice-President Traders' National Bank, Lowell; E. W. Bourne, Cashier New Bedford Safe Deposit and Trust Company, New Bedford; C. H. Ramsay, Cashier Winthrop National Bank, Boston; F. G. Newhall, Cashier National Market Bank, Brighton, and Warren M. King, Cashier Northampton National Bank, Northampton. executive council.

The committee of arrangements in charge of the preliminary meeting was made up of Frederic H. Curtiss, First National Bank, Boston; Edward H. Lowell, Winnisimmet National Bank, Chelsea; Frank G. Newhall, National Market Bank, Brighton; W. I. Nickerson, Melrose National Bank, Melrose; Charles H. Ramsay, Winthrop National Bank, Boston; Charles A. Ruggles, Boston Clearing House, and Henry F. Smith, National Shawmut Bank, Boston.

MIDDLE STATES.

Philadelphia.—At the annual banquet of the Philadelphia Bankers' Association, on the evening of March 11, the principal speakers were ex-Comptroller of the Currency James H. Eckels—now President of the Commercial National Bank, Chicago, and James M. Beck, former Assistant Attorney-General. Mr. Eckels spoke in favor of leaving the regulation of railroad rates to those who owned and managed them, rather than to agents appointed by the Government. Mr. Beck's views favored regulation by the Inter-State Commerce Commission.

West Chester, Pa.—The Chester County Trust Company, incorporated October 10, 1900, has grown to such an extent that it required enlarged quarters, and now announces the completion of a large fire-proof building, supplied with modern equipment throughout, and affording ample facilities for the safe and convenient transaction of business in the several departments. A fire and burglar-proof safe deposit vault is a prominent feature of the new banking rooms.

The company has $250,000 subscribed capital and $125,000 paid in. Its officers are: President, Wm. P. Sharpless; Vice-President, Wm. H. Gibbons; Secretary and Treasurer, L. K. Stubbs.

Baltimore.—The report of the Commercial and Farmers' National Bank made to the Comptroller on March 14 shows total deposits $2,780,441, an increase of $596,451 over the figures for January 11.

SOUTHERN STATES.

Richmond, Va.—The Bank of Richmond has bought from the "News-Leader" Company the building at the corner of Ninth and Main streets, and was also reported to be negotiating for adjoining property. It is the intention either to improve the present building on the property acquired or to put up a new structure.

Petersburg, Va.—At a meeting of the stockholders of the Petersburg Banking and Trust Co., March 21, details were considered for changing the institution into the Virginia National Bank, with $300,000 capital and $30,000 surplus. The bank's building is also to be enlarged and otherwise improved.

Georgia Bankers' Association.—The meeting of the Georgia Bankers' Association for this year will be held at Atlantic Beach, June 9. The Florida Bankers' Association, H. Robinson, president, G. R. DeSaussure, secretary, and E. W. Lane, chairman of the executive committee, made an effort to have the Georgia bankers meet in Jacksonville last year, but they had made other arrangements. This year these gentlemen communicated with them earlier, and were successful. It is the desire of the Florida Bankers' Association to have all of the Florida bankers and all of the Georgia bankers present at this meeting.

The Jacksonville bankers have made arrangements to entertain the Georgia bankers in Jacksonville on Saturday, June 10, upon their return from Atlantic Beach.

WESTERN STATES.

Chicago.—On March 30 stockholders of the Central Trust Company voted to reduce the capital stock from $4,000,000 to $2,000,000, the cancellation to be made at $125 per share—the price paid for the stock originally. This leaves the company with $2,000,000 capital, $600,000 surplus and over $400,000 undivided profits. It is expected that with the reduced stock the dividend rate will be increased from four per cent. to six per cent.

—The Depositor's Mutual Trust and Savings Bank has been incorporated to do business here with $300,000 capital.

—It is announced that the American Trust and Savings Bank will absorb the Federal Trust and Savings Bank.

—The Royal Trust Company Bank has issued an interesting booklet giving a number of brief but important historical facts about money and banks. It contains much valuable information in a condensed form.

Milwaukee, Wis.—Excellent progress has been made by the Germania National Bank. It opened for business July 1, 1903, and the statement of March 14 last showed deposits amounting to $1,597,077 and total resources $2,144,045. The bank has about 2,000 savings accounts, 150 new accounts having been started in the month of February alone. It has 700 check accounts.

Cleveland, Ohio.—An attractive illustrated pamphlet has been issued by the Cleveland Trust Co., showing the advantages of the city in a residential and business way, also mentioning incidentally the advantages of doing

business with the Cleveland Trust Co. This company is one of the most progressive in the country, and the management is evidently strong in the public's estimation. There are forty-eight thousand depositors, with $22,800,000 to their credit. The capital of the company is $1,750,000 and the surplus $1,050,000.

Indianapolis, Ind.—An increase of $200,000 has been made in the capital stock of the Capital National Bank, bringing the total up to $500,000, the new stock being issued at 145. It was taken by present shareholders and others, some of the existing shareholders waiving their right to subscribe so as to permit new interests to be represented, such as will be beneficial to the growth of the bank's business.

Improvements are also being made in the banking rooms, and new steel vaults and safe-deposit boxes are being put in.

PACIFIC SLOPE.

San Francisco.—Merger of the Nevada National Bank and the Wells, Fargo & Co. Bank was ratified at a special meeting of stockholders of the Nevada National Bank April 3, the consolidation having been previously approved by stockholders of the Wells, Fargo & Co. Bank. The title of the new amalgamated bank is the Wells, Fargo Nevada National Bank of San Francisco. It will have a working capital of $9,500,000.

—The San Francisco Savings Union has its banking rooms in its own building, the largest on the Pacific coast. The bank's fixtures and furniture are different from those of any in the country, the wood being of curly and birdseye maple, solid bronze and native marble. The deposits now amount to $34,000,000; capital, $1,000,000; surplus and profits, $1,010,000.

—The Humboldt Savings Bank is putting up a new building, of steel and stone construction, fifteen stories high, and with a frontage of 37½ feet. Practically all the two lower floors will be occupied by the bank, and will be finished in mahogany and marble and supplied with the best of everything necessary for the safe and speedy transaction of the bank's large business. There will be three vaults of the latest design on the main floor and two in the basement. The bank was established in 1869. Since the new management took charge, about two years ago, its growth and progress have been much greater than ever before.

—The Western National Bank has just moved into its new quarters. Its rooms are attractive and unique, being arranged in the form of a circle, and has a gallery running around the entire room which is utilized by the working force. Marble and bronze predominate in the interior finishing.

—Since July last the Market Street Bank has increased its business upwards of 200 per cent. The bank now occupies its new quarters at Seventh and Market streets, and they present an inviting and substantial appearance.

—The Scandinavian-American Savings Bank, which opened for business on January 3 last, is experiencing a growth which is a strong tribute to the character and capacity of the management. Deposits already amount to upwards of $350,000. Charles Nelson is President and Lewis I. Cowgill, Vice-President and Secretary. Mr. Cowgill was formerly Cashier of the San Francisco National Bank.

Oakland, Cal.—The Security Bank and Trust Co., although established only fifteen months ago, has had a rapid growth and has made it necessary to secure an adjoining room to add to its banking quarters, giving double the former space, the whole having been thoroughly overhauled and fitted up in modern style.

—The Union Savings Bank now occupies its own building, recently completed, and has the distinction of possessing the most imposing business block in the city. It is eleven stories high, and is fire-proof throughout, being constructed of steel, stone and brick. The fixtures are of mahogany and bronze, with mosaic tile floor.

—At the last annual meeting of the West Oakland Bank and Trust Company, March 1, the following officers and directors were elected: President, O. F. Breiling; first Vice-President, Wm. Long; second Vice-President, E. C. Hahn; Cashier, C. L. Wines; directors, H. P. Dalton, F. N. Myers and E. J. Breiling. J. J. Allen was appointed attorney.

California Bankers' Association.—The executive council of the California Bankers' Association has accepted the invitation of the associated banks of Oakland to hold this year's convention in that city. The dates selected are Thursday, Friday and Saturday, May 18, 19 and 20.

Modesto, Cal.—The First National Bank, with $100,000 capital, is now occupying its new banking house, which is constructed of brick, with stone trimmings, and presents a handsome and substantial appearance. The interior decorations and the banking equipment are all up to the highest standard.

The Union Savings Bank, with the same officers as the First National, occupies part of the building.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

APPLICATIONS TO ORGANIZE NATIONAL BANKS APPROVED.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Citizens' National Bank, Atoka, I. T.; by J. R. Ray, et al.
First National Bank, De Kalb, Texas; by H. D. Price, et al.
Pen Argyl National Bank, Pen Argyl, Pa.; by Irwin N. Johnson, et al.
First National Bank, Coalville, Utah; by James Pingree, et al.
Lone Oak National Bank, Lone Oak, Texas; by G. F. Floyd, et al.
Athens National Bank, Athens, Ohio; by Harry G. Stadler, et al.
First National Bank, Lonaconing, Md.; by M. A. Patrick, et al.
United States National Bank, San Francisco, Cal.; by Byron Mauzy, et al.
National Deposit Bank, Philadelphia, Pa.; by F. B. Bracken, et al.
First National Bank, Columbia, Ala.; by J. M. Koonce, et al.
American National Bank, Mexia, Texas; by D. M. Prendergast, et al.
First National Bank, Las Cruces, N. M.; by Nathan Boyd, et al.
First National Bank, Sardis, Ohio; by Jno. P. Goodwin, et al.
First National Bank, Evergreen, Ala.; by Allen R. Jones, et al.
National Bank of Las Cruces, Las Cruces, N. M.; by Henry D. Bowman, et al.
First National Bank Layton, Utah; by James Pingree, et al.
National Bank of Shawneetown, Shawneetown, Ill.; by E. Eberwine, et al.
First National Bank, Hoffman, I. T.; by E. E. Schook, et al.
First National Bank, Haines, Ore.; by W. K. Welch, et al.
First National Bank, Excelsior Springs, Mo.; by A. S. King, et al.
First National Bank, Freeport, N. Y.; by Wm. S. Hall, et al.
First National Bank, Garretson, S. D.; by Thomas Wangsness, et al.
First National Bank, Wellington, Colo.; by John S. Cusack, et al.
National Bank of Roxbury, Roxbury, N. Y.; by F. M. Andrus, et al.
First National Bank, Tioga, Texas; by A. J. Mershon, et al.
First National Bank, Hawley, Minn.; by F. H. Wellcome, et al.
Virginia National Bank, Petersburg, Va.; by Joseph W. Seward, et al.
First National Bank, Oceanside, Cal.; by Peter J. Brannen, et al.
First National Bank, Columbia, Ill.; by J. W. Perry, et al.
Okemah National Bank, Okemah, I. T.; by F. T. Miller, et al.
American National Bank, Talihina, I. T.; by John J. Thomas, et al.
First National Bank, Linn Creek, Mo.; by John M. Farmer, et al.
First National Bank, Sullivan, Ill.; by Chas. Shuman, et al.
Hugo National Bank, Hugo, I. T.; by J. F. McReunolds, et al.
First National Bank, Hallstead, Pa.; by J. B. Jones, et al.
Berkeley National Bank, Berkeley, Cal.; by Louis Titus, et al.
Citizens' National Bank, Durham, N. C.; by B. N. Duke, et al.
First National Bank, Trevorton, Pa.; by A. K. Deibler, et al.
Mesa County National Bank, Grand Junction, Colo.; by Orson Adams, Jr., et al.
National Bank of Glens Falls, Glens Falls, N. Y.; by Daniel S. Finch, et al.
Atlanta National Bank, Atlanta, Texas; by R. L. Witt, et al.
Central National Bank, Portsmouth, Ohio; by Levi D. York, et al.
Citizens' National Bank, Newport, Pa.; by John Fleisher, et al.
First National Bank, Benson, Pa.; by Hiram Hoffman, et al.
Lincoln National Bank, Avella, Pa.; by J. A. Ray, et al.
First National Bank, Toronto, Ohio; by H. H. Smith, et al.

NATIONAL BANKS ORGANIZED.

7625—First National Bank, Woodstock, Minn.; capital, $25,000; Pres., E. W. Davies; Vice-Pres. and Cashier, James Jackson.

7626—First National Bank, Newburg, W. Va.; capital, $25,000; Pres., J. R. Smoot; Vice-Pres., D. J. Gibson; Cashier, Emory H. Smith.

7627—First National Bank, Percy, Ill.: capital, $25,000; Pres., Edward R. Hincke; Vice-Pres., Ernest J. Krause; Cashier, Roy Alden.
I. T.: capital, $50,000; Pres., Will-

7628—City National Bank, Wagoner, iam B. Kane; Vice-Pres., Amos F. Parkinson; Cashier, Geo. H. Ruddy, Jr.; Asst. Cashier, Geo. D. Story.

7629—First National Bank, Ozark, Ala.; capital, $25,000; Pres., G. P. Dowling; Vice-Pres., J. D. Holman; Cashier, D. G. Munn.

7630—Fort Edward National Bank; capital, $75,000; Pres., Joseph E. King; Vice-Pres., Alfred E. De Forest; Cashier, Asahel R. Wing.

7631—First National Bank, Buckeye City, Ohio; capital, $25,000; Pres., E. B. Rice; Vice-Pres., L. F. Colopy; Cashier, H. G. Hammond.

7632—United States National Bank, Los Angeles, Cal.; capital, $200,000; Pres., I. W. Hellman, Jr.; Vice-Pres., O. M. Souden; Cashier, E. J. Vawter, Jr.
7633—First National Bank, Konawa, I. T.; capital, $25,000; Pres., W. H. Holman; Cashier, W. R. Mershon.
7634—First National Bank, Malvern, Ark.; capital, $25,000; Pres., H. A. Butler; Vice-Pres., E. H. Vance, Jr.; Cashier, H. L. McDonald.
7635—Snyder National Bank, Snyder, Texas; capital, $50,000; Pres., W. A. Fuller; Vice-Pres., E. W. Clark; Cashier, F. J. Grayum; Asst. Cashier, P. P. Martin.
7636—National Bank of Jellico, Tenn.; capital, $25,000; Pres., Richard B. Baird; Cashier, C. O. Baird.
7637—First National Bank, Fowler, Colo.; capital, $25,000; Pres., F. M. Weiland; Vice-Pres., J. F. Hall; Cashier, L. Butler.
7638—New Knox National Bank, Mount Vernon, Ohio; capital, $100,000; Pres., J. S. Ringwalt; Vice-Pres., Desault B. Kirk; Cashier, A. C. Collins.
7639—First National Bank, Baltimore, Ohio; capital, $25,000; Pres., A. Hansberger; Vice-Pres., I. N. Carnes; Cashier, C. M. Wagner.
7640—Citizens' National Bank, Stamford, Texas; capital, $30,000; Pres., W. H. Eddleman; Vice-Pres., C. M. Patillo; Cashier, J. S. Morrow; Asst. Cashier, M. E. Manning.
7641—Farmers' National Bank, Blue Earth, Minnesota; capital, $50,000; Pres., Geo. D. McArthur; Vice-Pres., Anthony Anderson; Cashier, Frank H. Davis.
7642—First National Bank, Oakmont, Penn.; capital, $50,000; Pres., Chas. Bailey; Vice-Pres., L. M. Morris; Cashier, C. C. Lee.
7643—First National Bank, Manchester, Mo.; capital, $25,000; Pres., John Straszer; Vice-Pres., Aug. Meisch; Cashier, E. J. Archinard.
7644—First National Bank, Harlmen, Mont.; capital, $25,000; Pres., Thomas M. Everett; Vice-Pres., W. E. French; Cashier, Chas. E. Owens.
7645—First National Bank, Savoy, Texas; capital, $25,000; Pres., H. H. Arterberry; Vice-Pres., S. D. Simpson; Cashier, E. T. Cook; Asst. Cashier, R. H. Cook.
7646—Garden City National Bank, Garden City, Kans.; capital. $25,000; Pres., D. C. Holcomb; Cashier, W. O. Horr; Asst. Cashier, B. F. Simonds.
7647—First National Bank, Chisholm, Minn.; capital, $25,000; Pres., A. M. Chisholm; Vice-Pres., J. F. Killorin; Cashier, L. G. Sicard.
7648—First National Bank, Loveland, Colo.; capital, $50,000; Pres., Gordon Jones.
7649—National Bank of Logan, Logan, O.; capital, $50,000; Pres., Charles E. Bowen; Vice-Pres., Herbert R. Harrington; Cashier, F. Meade Bowen.
7650—First National Bank, Hampden, N. D.; capital, $25,000; Pres., J. Rosholt; Vice-Pres., H. Rostad; Cashier, E. E. Swarthout.
7651—First National Bank, Boswell, I. T.; capital, $35,000; Pres., W. D. Wilkins; Cashier, V. Bronaugh; Asst. Cashier, J. E. McCleary.
7652—First National Bank, Morgantown, Ind.; capital, $25,000; Pres., R. C. Griffitt; Vice-Pres., Thomas Gibson; Cashier, J. E. Carter; Asst. Cashier, F. J. McCurdy.
7653—Citizens' National Bank, Richmond, Ky.; capital, $100,000; Pres., James Bennett; Vice-Pres., C. F. Burnam; Cashier, S. S. Parkes.
7654—First National Bank, Lovelock, Nev.; capital, $25,000; Pres., P. J. Enright; Vice-Pres., W. C. Pitt; Cashier, R. G. Smith.
7655—First National Bank, Rochester, Ind.; capital, $50,000; Pres., Arthur P. Copeland; Vice-Pres., H. D. Copeland; Cashier, Omar B. Smith.
7656—First National Bank, Seneca, Mo.; capital, $25,000; Pres., Albert D. Bennett; Vice-Pres., John E. Shepherd; Cashier, M. S. Hardesty.
7657—Farmers' National Bank, Lone Oak, Texas; capital, $30,000; Pres., Y. O. McAdams; Vice-Pres., D. B. Corley; Cashier, G. F. Floyd; Asst. Cashier, T. T. Harrison.
7658—Farmers & Merchants' National Bank, Hanford, Cal.; capital, $100,000; Pres., C. M. Cross; Vice-Pres., J. H. Dopkins; Cashier, Judd Smith; Asst. Cashiers, R. J. Downing and C. E. Chastine.
7659—Hallwood National Bank, Hallwood, Va.; capital, $25,000; Pres., S. Wilkens Matthews; Vice-Pres., J. W. Broughton; Cashier, J. T. Lewis.
7660—First National Bank, Triumph, Ill.; capital, $25,000; Pres., E. L. Watts; Cashier, E. N. Cook.
7661—First National Bank, Mount Healthy, O.; capital, $25,000; Pres., Owen N. Kinney; Vice-Pres., Joseph Weber; Cashier, Alexis Brown.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

Elba—Citizens' Bank; capital, $30,000; Pres., John M. Garrett; Vice-Pres., L. A. Boyd; Cashier, B. W. Page; Asst. Cashier, W. P. Boyd.

ARKANSAS.

Piggott—Bank of Piggott; capital, $25,000; Pres., E. N. Royall, Vice-Pres., J. P. Potter.

CALIFORNIA.

Auburn—Bank of Auburn; capital, $25,000; Pres., Wm. Nicholls, Jr.; Vice-Pres., W. J. Wilson, Jr.; Cashier, J. M. Francis; Asst. Cashier, E. S. Birdsall.

Calexico—First State Bank; capital, $25,000; Pres., Leroy Holt; Vice-Pres., Geo. A. Carter.

Cedarville—Surprise Valley Bank (successor to Bank of John A. Bonner); Pres., T. H. Johnstone; Vice-Pres., John Fritz; Cashier, F. E. Bush.

COLORADO.

Bayfield—Bank of Bayfield; Pres., D. C. Coulson; Vice-Pres., V. L. Coulson; Cashier, J. M. Turner.

Limon—Limon State Bank; capital, $15,000; Pres., M. T. Burwell; Vice-Pres., Field Bohart; Cashier, J. M.

McClure; Asst. Cashier, Gusf. F. Purwell.

FLORIDA.

West Tampa—Drew, Henderson & Harris; Cashier, Amos L. Harris.

GEORGIA.

Bowman—Bowman Bank; capital, $15,000; Pres., Wm. S. Witham; Vice-Pres., L. W. Hendrick; Cashier, E. M. Clark.
Douglas—Peterson Banking Co.; capital, $30,000; Pres., B. Peterson; Vice-Pres., J. E. Peterson; Cashier, Thomas Griffin.
Turin—Turin Banking Co.; capital, $25,000; Pres., J. O. Norris; Vice-Pres., Edgar Dominick.

IDAHO.

Pocatello—Citizens' Bank; capital, $30,000; Pres., Wm. A. Anthes; Vice-Pres., J. W. Carr; Cashier, J. N. Anthes.

ILLINOIS.

Arrowsmith—Arrowsmith Bank; capital, $20,000; Pres., C. W. Hurt; Vice-Pres., T. W. Maurice; Cashier, Raymond Webber.
Makanda—Bank of Makanda; Pres., R. H. Miller; Cashier, E. G. Miller.

INDIAN TERRITORY.

Heavener—Bank of Heavener; capital, $5,000; Cashier and Secretary, J. M. Key.
Konowa—Konowa International Bank; capital, $25,000; Pres., Young Pepper; Vice-Pres., F. O. Harris, Cashier, V. V. Harris.
Valliant—Bank of Valliant; capital, $7,500; Pres., C. H. Bushnell; Vice-Pres., J. D. Wilson; Cashier, P. A. Wilbor.

IOWA.

Edgewood—State Bank (successor to Bank of Edgewood); capital, $25,000; Pres., Lewis Blanchard; Vice-Pres., L. B. Blanchard; Cashier, J. W. Fouvard; Asst. Cashier, Chas. Blanchard.
Elma—First State Savings Bank (successor to Bank of Elma); capital, $20,000; Pres., H. L. Spaulding; Vice-Pres., B. F. Klemme; Cashier, J. J. McFaul.
Harper—Harper Savings Bank; capital, $15,000; Pres., P. P. Peiffer; Vice-Pres., J. P. Besser; Cashier, A. C. Striegel.
Marion—Commercial Savings Bank; capital, $25,000; Pres., E. R. Mason; Vice-Pres., F. A. Greulich and H. C. Oxley; Cashier, H. G. Millen; Asst. Cashier, E. H. Millen.
Masonville—Farmers' Savings Bank; capital, $10,000; Pres., Daniel Fagan; Vice-Pres., Wm. Evans; Cashier, M. Lillis.
Rippey—Rippey Savings Bank; capital, $10,000; Pres., C. H. Suydam, Vice-Pres., J. A. Cavanagh; Cashier, Jno. Carmody.

KANSAS.

Dresden—Dresden State Bank; capital, $10,000; Pres., S. D. Taylor; Vice-Pres., W. E. Yates and C. H. Yeakle; Cashier, W. W. Metzler; Asst. Cashier, H. W. Brewer.
Piedmont—Piedmont State Bank; capital, $10,000; Pres. John Courtney; Vice-Pres., Ed. Harrison; Cashier, N. H. Wilson; Asst. Cashier, Anna Wilson.
Sycamore—Sycamore State Bank; capital, $10,000; Pres., W. D. Myers; Vice-Pres., W. C. Stevens; Cashier, L. W. Hayward; Asst. Cashier, W. W. Hayward.

KENTUCKY.

Louisville—Lincoln Savings Bank; capital, $250,000; Pres., John M. Atherton; Vice-Pres., Frank Miller; Treasurer, Brent Altsheler.
New Haven—Bank of New Haven; capital, $25,000; Pres., Jos. B. Hutchins; Vice-Pres., F. X. Dawson; Cashier, H. E. Roby.

LOUISIANA.

Arnaudville—Bank of Arnaudville; capital, $15,000; Pres., E. C. Roger; Vice-Pres., Geo. Grieg; Cashier, J. M. Olivier.
New Orleans—Bank of St. Bernard; capital, $35,000; Pres., Jos. Maumus; Vice-Pres., Sebastian Roy and J. M. Vergnole; Cashier, L. Leon Villere.

MICHIGAN.

Cedar City—D. H. Power & Co.; capital, $10,000; Pres., Elmer Billman.
Cheboygan—Cheboygan County Savings Bank; capital, $50,000; Pres., James F. Moloney; Vice-Pres., William L. Martin; Cashier, Percy S. Dudley.
Decatur—Citizens' Bank.

MINNESOTA.

Mahnomen—First State Bank; capital, $10,000; Pres., C. M. Sprague; Vice-Pres., C. J. Lofgren; Cashier, L. E. Campbell.
Newfolden—Farmers' State Bank; capital, $10,000; Pres., O. L. Melgaard; Vice-Pres., H. L. Melgaard; Cashier, H. E. Myhre.
Taunton—State Bank; capital, $10,000; Pres., John Swenson; Vice-Pres., P. P. Ahern; Cashier, M. F. Ahern.

MISSISSIPPI.

Clinton—Bank of Clinton; capital, $15,000; Pres., P. S. Stovall; Vice-Pres., W. T. Lowrey; Cashier, E. F. Anderson.
Drew—Bank of Drew; capital, $25,000; Pres., Fred. Grittman; Cashier, J. W. Shofner.
Vicksburg—Home Savings Bank; capital, $60,000; Pres., R. A. Quin; Vice-Pres., Emill Bonelli; Sec. and Treas., Geo. B. Haskell.
West Point—Citizens' Bank; capital, $50,000; Pres., S. L. Hearn; Vice-Pres., J. A. Crawford; Cashier, J. M. Ervin.

MISSOURI.

Bakersfield—Bakersfield State Bank; capital, $10,000; Pres., A. B. James; Vice-Pres., S. S. Singer; Cashier, J. Emory Jump.
New Boston—Farmers' State Bank; capital, $10,000; Pres., Geo. W. Stone; Vice-Pres., Alfred Anderson; Cashier, Walter Bundridge.
New Madrid—Commercial Bank (successor to Peoples Bank); capital, $75,000; Pres., Lee Hunter; Vice-Pres., D. Mann; Cashier, W. H. Garanflo.
New Stover—Farmers' Bank of Stover; capital, $10,000; Pres., J. D.

Kueck; Vice-Pres., G. B. Frisch; Cashier, B. F. Vickrey.

NEBRASKA.

Kramer—Kramer State Bank; capital, $6,000; Pres., C. B. Anderson; Vice-Pres., E. M. Uphoff; Cashier, Paul Beck.

Tarnov—Tarnov State Bank; capital, $5,000; Pres., H. M. Little; Vice-Pres., F. L. Gallagher; Cashier, H. P. Wettengel.

NEVADA.

Columbia—Nye and Ormsby County Bank; D. V. McBride, Asst. Cashier.

Goldfield—John S. Cook & Co.; capital, $50,000; Asst. Cashier, H. T. Cook.

Lida—A. H. Raynolds.

Sparks—Bank of Sparks; capital, $25,000; Pres., W. J. Harris; Vice-Pres., N. C. Prater; Cashier, Wm. McMillan.

NEW MEXICO.

Artesia—Bank of Artesia; capital, $15,000; Pres., J. C. Gage; Vice-Pres., A. V. Logan; Cashier, A. L. Norfleet; Asst. Cashier, Jno. B. Enfield.

NEW YORK.

Brooklyn—Bank of the Commonwealth; capital, $100,000; Pres., Edwin F. Howell; Vice-Pres., A. C. Fischer; Cashier, L. M. Pearsall.—Ridgewood Bank; capital, $100,000; Pres., Fenwick B. Small; Cashier, Edw. Krueger.—Home Trust Co.; capital, $500,000; Pres., J. Edward Swanstrom; Sec., H. A. Davidson; Asst. Sec., A. F. Mars.

Roslyn—Bank of Hempstead Harbor; capital, $30,000; Pres., Benjamin D. Hicks; Vice-Pres., Frederick C. Hicks; Cashier, John C. Baker.

NORTH CAROLINA.

Southern Pines—Citizens' Bank & Trust Co.; capital, $10,000; Pres., C. B. Grout; Vice-Pres., P. N. Beck; Cashier, G. A. Kimball.

Tryon—Bank of Tryon; capital, $5,300; Pres., Jos. Norwood; Vice-Pres., T. T. Ballenger; Cashier, J. B. Hester.

NORTH DAKOTA.

Cleveland—Cleveland State Bank; capital, $10,000; Pres., E. P. Wells; Vice-Pres., H. T. Graves; Cashier, A. B. DeVault; Asst. Cashier, Daniel Sachow.

Dazey—Security State Bank; capital, $10,000; Pres., Nels Larson; Vice-Pres., A. Tolstad; Cashier, Leonard T. Larson.

Great Bend—Farmers' State Bank; capital, $12,000; Pres., E. A. Movius; Vice-Pres., J. H. Movius; Cashier, F. L. Thompson; Asst. Cashier, Geo. Warner, Jr.

OHIO.

McConnellsville—Citizens' Savings Bank & Loan Co.; capital, $50,000; Pres., E. M. Stanbery; Vice-Pres., J. W. Parkhurst; Sec. and Treas., C. L. Alderman.

Niles—Dollar Savings Bank & Trust Co.; capital, $50,000; Pres., W. Aubrey Thomas; Vice-Pres., Wade A. Taylor; Cashier, F. W. Stellwagon.

Oakwood—Oakwood Deposit Bank; capital, $12,500; C. H. Allen, Vice-Pres., E. Meeley; Cashier, A. E. Reid.

OKLAHOMA.

Carmen—First State Bank (successor to First National Bank); capital, $10,000; Pres., W. T. Barrett; Vice-Pres., A. H. Geissler; Cashier, John M. Geisler.

Coldwater—Bank of Coldwater; capital, $10,000; Pres., J. B. Ferguson; Vice-Pres., J. C. Masemore; Cashier, E. A. Pendarvis.

Perry—Bank of Commerce; capital, $10,000; Pres., Chas. E. Dennis; Vice-Pres., F. C. Seids; Cashier, John A. Hansen.

Temple—Temple State Bank; capital, $10,000; Pres., A. L. Walker; Cashier, D. W. Cummins.

OREGON.

Amity—Bank of Amity; capital, $12,500; Pres., Geo. F. Hauser; Vice-Pres., J. A. Ruble; Cashier, R. O. Jones.

PENNSYLVANIA.

Hazleton—People's Savings & Trust Co.; capital, $125,000; Pres., Wm. Deisroth; Vice-Pres., S. S. Seager; Cashier, Burson Bevans.

SOUTH CAROLINA.

Batesburg—Citizens' Bank; capital, $30,000; Pres., W. H. Timmerman; Vice-Pres., N. X. Gunter; Cashier, W. C. Cartledge; Asst. Cashier, A. C. Jones.

Lake City—Farmers & Merchants' Bank; capital, $25,000; Pres., J. S. McClain; Vice-Pres., Charles M. Kelley; Cashier, B. Wallace Jones, Jr.

TENNESSEE.

Jackson—Bank of Commerce; capital, $37,500; Pres., R. S. Fletcher; Vice-Pres., Exile Burkitt; Cashier, Geo. C. Wilkerson.

Oakland—Oakland Deposit Bank; capital, $5,000; Pres., J. N. Clay; Cashier, P. D. Henry.

TEXAS.

Cisco—Cisco Banking Co.; capital, $25,000; Pres., A. J. Ward; Vice-Pres., J. W. Ward; Cashier, G. D. Ward.

Ravenna—Bank of Ravenna; capital, $10,000; Pres., J. F. Anthony; Vice-Pres., J. E. Spies; Cashier, C. F. Christensen.

UTAH.

Garland—Bank of Garland; capital, $25,000; Pres., L. S. Hills; Vice-Pres., W. W. Riter; Cashier, Orson P. Rumel.

VERMONT.

Barton Landing—Central Savings Bank & Trust Co.; capital, $25,000; Pres., J. G. Turnbull; Vice-Pres., C. D. French; Cashier, R. A. Bean.

VIRGINIA.

Richmond—Bank of Commerce and Trusts; capital, $200,000; Pres., Oliver P. Sands; Vice-Pres., Randolph Holladay; Sec., J. D. Lecky.

WASHINGTON.

Kathlotus—Bank of Kathlotus; capital, $5,000; Pres., W. R. Cunningham, Jr., Vice-Pres., O. H. Greene; Cashier, W. E. Layton.

Seattle—State Bank; capital, $100,000; Pres., A. H. Soelberg.

WISCONSIN.

Marathon City—State Bank; capital, $15,000; Pres., Nicholas Schmidt; Vice-Pres., Aug. Ritger; Cashier, R. C. Hugo.

CANADA.

ONTARIO.

Stittsville—Union Bank of Canada; Manager, E. G. Stewart.

QUEBEC.

Acton Vale—Eastern Townships Bank; N. H. Stack, Manager.

Hemmingford — Eastern Townships Bank; P. H. Somerville, Manager.

Waterville — Eastern Townships Bank; J. T. Thomas, Manager.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Anniston—City National Bank; James Keith, Jr., Cashier in place of J. W. McElreath; H. L. Cater, Asst. Cashier in place of Frank Leigh, resigned.—First National Bank; M. B. Wellborn, Pres. in place of W. W. Stringfellow; W. W. Stringfellow, Vice-Pres.

Birmingham—People's Savings Bank & Trust Co.; H. D. Lyman, Cashier in place of John D. Elliott; William T. Lathem, Asst. Cashier.

ARIZONA.

Nogales—First National Bank, capital increased from $25,000 to $50,000; surplus, $5,000.

ARKANSAS.

Corning—First National Bank; Perry Simpson, Asst. Cashier.

McGehee—Bank of McGehee; A. S. Ammerman, Cashier in place of C. S. McCain.

CALIFORNIA.

Eureka—First National Bank; S. I. Allard, Vice-Pres. in place of G. W. Fenwick.

Oakland—West Oakland Bank & Trust Co.; O. F. Breiling, Pres.; William Long, First Vice-Pres.; E. C. Hahn, Second Vice-Pres.

Pasadena—First National Bank; R. I. Rogers, Cashier in place of H. I. Stuart; A. E. Edwards, Asst. Cashier.

San Diego—National Bank of Commerce; no Vice-Pres. in place of R. M. Powers; J. C. Rice, Asst. Cashier.

San Francisco—Crocker - Woolworth National Bank; G. W. Kline, Second Vice-Pres., W. Greeg, Jr., Cashier in place of G. W. Kline.

COLORADO.

Fort Collins—First National Bank; M. G. Nelson, Asst. Cashier.

Paonia—First National Bank; L. W. Heston, Vice-Pres. in place of G. W. Hester.

CONNECTICUT.

New Britain—Mechanics' National Bank; W. E. Attwood, Pres. in place of John B. Talcott, deceased; no Vice-Pres. in place of W. E. Attwood.

New London—Union Bank; Carlos Barry, Jr., Cashier in place of J. Lawrence Chew, deceased.

GEORGIA.

Macon—American National Bank; R. J. Taylor, Pres.; L. P. Hillyer, Vice-Pres. and Cashier.

Newnan—Coweta National Bank; W. C. McBride, Pres. in place of R. H. Hardaway, deceased; Mike Powell, Vice-Pres. in place of W. C. McBride.

ILLINOIS.

Benton—First National Bank; C. A. Aiken, Jr., Asst. Cashier in place of S. W. Swain.—Benton State Bank; William R. Ward, Pres., deceased.

Chicago—Central Trust Co. of Ill.; capital reduced to $2,000,000.

Chrisman—First National Bank; Wm. M. Smith, Vice-Pres. in place of W. T. Watson.

Morrisonville—First National Bank; J. H. Bertmann, Pres. in place of William Lowis; H. H. Herdman, Vice-Pres. in place of J. H. Bertmann; Jos. Brochamp, Cashier in place of H. L. Maxon; Aloysius McLean, Asst. Cashier.

Strawn—Farmers' National Bank; C. H. Tryon, Asst. Cashier in place of W. L. Quinn.

Stronghurst—First National Bank; E. T. Taylor, Cashier in place of E. H. Allison; J. F. McMillan, Asst. Cashier.

Villa Grove—First National Bank and Douglas County Bank; consolidated under former title.

INDIANA.

Elkhart—St. Joseph Valley Bank; Walter S. Hazelton, Cashier in place of M. U. Demarest, resigned.

Indianapolis—Capital National Bank; capital increased to $500,000.

Liberty — Union County National Bank; Chas. D. Johnson, Cashier in place of W. A. Bryson.

Seymour—First National Bank; Theodore Groub, Vice-Pres. in place of Louis Schenck, deceased.

INDIAN TERRITORY.

Bartlesville—First National Bank; Jos. J. Curl, Vice-Pres. in place of Geo. B. Keeler.

Bokchito—Bokchito National Bank; T. H. Davis, Cashier in place of J. R. Modrall.

Coalgate—Coalgate National Bank; W. C. Rudisill, Cashier in place of E. C. Million.

Caddo—Caddo National Bank; T. F. Memminger, Pres. in place of E. C. Million.

Francis—First National Bank; A. M. Cummings, Pres. in place of T. A. Vaughn; Geo. R. Rock, and A. T. Whittle, Vice-Presidents in place of A. M. Cummings and S. D. Dutcher; Mark Babcock, Asst. Cashier.

Lindsay—Lindsay National Bank; W. H. Eddleman, Pres. in place of C. J. Grant; John G. Long, Asst. Cashier in place of C. C. Joy.
Okemah—First National Bank; Geo. H. Ralston, Vice-Pres. in place of L. P. Caldwell; L. P. Caldwell, Cashier in place of M. B. Flesher.
Tulsa—First National Bank; N. W. Mayginnes, Vice-Pres. in place of L. Appleby, deceased.
Wetumka—First National Bank; W. B. Key, Cashier in place of Nat. Williams.

IOWA.

Chariton—Chariton National Bank; J. C. Copeland, Cashier in place of W. Culbertson.
Charter Oak—Farmers' State Bank; D. O. Johnson, Pres., deceased.
Nevada—First National Bank; W. P. Zwilling, Vice-Pres. in place of J. D. Ferner.
Sheldon—First National Bank; John H. Archer, Vice-Pres. in place of J. E. Van Patten.
Titonka—First National Bank; S. A. Schneider, Vice-Pres. in place of C. W. Gadd; no Cashier in place of S. A. Schneider.

KANSAS.

Garnett—National Bank of Commerce; A. B. Johnson, Asst. Cashier.
Girard—Bank of Girard; H. M. Haldeman, Proprietor, deceased.
Phillipsburg—First National Bank; I. H. Rogers, Vice-Pres. in place of A. H. Granger; W. D. Womer, Cashier in place of W. D. Granger.

KENTUCKY.

Columbia—First National Bank; A. M. Mercer, Asst. Cashier.
Pineville—Bell National Bank; D. B. Logan, Pres. in place of J. R. Rice.
Louisville—Third National Bank; Owen Tyler, Pres. in place of E. D. Martin, resigned.

LOUISIANA.

Lake Charles—Lake Charles National Bank; Fred H. Junkin, Asst. Cashier.
Leesville—First National Bank; Thomas A. Craft, Cashier in place of A. L. Franklin; A. R. Hicks, Asst. Cashier in place of Thomas A. Craft.
New Iberia—State National Bank; H. E. Suberbeille, Cashier in place of J. P. Suberbeille; Ledoux E. Smith, Vice-Pres.
Welsh—First National Bank and Welsh National Bank; consolidated under former title; Chas. P. Martin, Vice-Pres. in place of Paul W. Daniels.

MAINE.

Bath—First National Bank; Wm. S. Shorey, Cashier in place of Chas. H. Potter.

MARYLAND.

Ridgely—Bank of Ridgeley; J. W. Gibson, Cashier in place of Harry Gibson.

MASSACHUSETTS.

Haverhill—Merrimack National Bank; Dudley Porter, Pres., deceased.
Natick—Natick National Bank; A. L. Potter, Acting Cashier.
North Attleboro — North Attleboro National Bank; A. H. Wiggin, Pres. in place of Harry F. Barrows.
Turners Falls—Crocker Instn. for Savings; Isaac Chenery, Pres. in place of Gilbert L. Rist, deceased; Joseph F. Bartlett, Vice-Pres.

MICHIGAN.

Kalamazoo — Kalamazoo National —Central Bank; sold to Kalamazoo Savings Bank.
Portland—John A. Webber & Son; John A. Webber, deceased.

MINNESOTA.

Chisholm—Miners' State Bank (successor to Bank of Chisholm); capital $10,000; Pres., S. R. Kirby; Vice-Pres., J. A. Redfern; Cashier, G. A. Brown.
Dundee—State Bank (successor to Bank of Dundee); capital, $15,000; Pres., B. N. Bodleson; Vice-Pres., S. H. Brown; Cashier, T. D. Lindquist; Asst. Cashier, Elmer Johnson.
Minneota—Farmers & Merchants' National Bank; C. K. Melby, Cashier in place of M. F. Ahern.
Rush City—First National Bank; D. A. Kendall, Cashier in place of W. G. Babcock.
Sauk Centre—Merchants' National Bank; J. A. Dubois, Vice-Pres.

MISSISSIPPI.

Laurel—First National Bank; F. G. Wisner, Pres. in place of W. B. Rogers.

MISSOURI.

Brookfield—Wheeler Savings Bank; J. R. Wheeler, Pres., deceased.
Lamar—First National Bank; A. H. Thompson, Pres. in place of C. D. Goodrum; D. B. Faut, Vice-Pres. in place of J. R. Faut; C. B. Edwards, Cashier in place of D. B. Faut.
Sedalia—Citizens' National Bank; R. F. Harris, Asst. Cashier in place of Grant Crawford.
St. Joseph—Tootle-Lemon National Bank; John S. Lemon, President, deceased.
Warsaw—Osage Valley Bank; W. J. Huse, Cashier, deceased.

NEBRASKA.

Bloomfield—First National Bank, Fred Uehling, Pres. in place of Emil Engdahl; W. H. Bosse, Vice-Pres. in place of Fred. Uehling.
Bank; capital increased to $200,000.
Butte—Bank of Butte; sold to Bank of Boyd County.
Humboldt—National Bank of Humboldt; John Holman, Pres. in place of J. H. Morehead; C. L. Hummel, Cashier in place of John Holman; Elta Atwood, Asst. Cashier in place of C. L. Hummel.
North Loup—Farmers' State Bank; Geo. E. Johnson, Cashier in place of Guy Dann.

NEW JERSEY.

Bayonne—Bayonne Trust Co.; Emmet Smith, Pres., deceased.
Newark—Federal Trust Co.; Chas. H. Ely, Sec. & Treas., deceased.

NEW MEXICO.

Roswell—Roswell National Bank; U. S. Bateman, Pres. in place of R. L. Bradley.

NEW YORK.

Brooklyn—Union Bank and Stuyvesant Bank; merged under former title.—German Savings Bank; Henry S. Hollingsworth, Vice-Pres., deceased.

Cornwall—First National Bank; S. C. Jones, Vice-Pres. in place of M. A. Alexander.

Kingston—Kingston Savings Bank; Luke Noone, Pres., deceased; also Vice-Pres. Kingston National Bank.

Moravia—First National Bank; Terry Everson, Pres., deceased.

New York—Gansevoorl Bank; R. Ross Appleton, Pres. in place of T. A. Adams.—National Bank of Commerce; no Asst. Cashier in place of Charles L. Robinson.—National Bank of North America; Alfred H. Curtis, Pres. in place of Richard L. Edwards; Charles W. Morse, Vice-Pres., Edward B. Wire, Cashier in place of A. H. Curtis.—Institution for Savings of Merchants' Clerks; title changed to Union Square Savings Bank.

Sag Harbor—Sag Harbor Savings Bank; Everett L. Tindall; Sec. and Treas. in place of Herbert F. Nickerson, deceased; Frank W. Corwin, Asst. Treas.

NORTH CAROLINA.

Fayetteville—Bank of Fayetteville; reported will re-open April 10.

Lexington—National Bank of Lexington; R. L. Burkhead, Pres. in place of Z. V. Walser; W. A. Beck, Vice-Pres. in place of J. B. Smith; Jno. W. Boring, Cashier in place of R. L. Burkhead; James Adderton, Asst. Cashier in place of J. T. Williamson, Jr.

OHIO.

Chardon—Smith, Fowler & Co.; Lucius Fowler, deceased.

Cincinnati—German National Bank; no Asst. Cashier in place of W. H. Simpson.

Eaton—Preble County National Bank; Andrew Heistand, Pres., deceased.

Elyria—Elyria Savings & Banking Co.; capital increased to $200,000.

Garrettsville—First National Bank; G. B. Chapman, Asst. Cashier in place of L. B. Cook.

Kinsman—Kinsman National Bank; no Asst. Cashier in place of L. T. Gillis.

Mansfield—Farmers' National Bank; E. Remy, Pres. in place of W. W. Cockley; A. M. Trago, Cashier in place of E. Remy.

Plymouth—First National Bank; A. O. Waite, Cashier in place of A. M. Trago; no Asst. Cashier in place of A. O. Waite.

Somerset—First National Bank and Somerset Bank; consolidated under latter title.

St. Marys—St. Marys National Bank; G. C. Simons, Vice-Pres. in place of Andrew Kaul, deceased; no Second Vice-Pres. in place of G. C. Simons.

Toledo—Holcomb National Bank; W. S. Brainard, Pres. in place of S. R. Maclaren, deceased.

Washington, C. H.—Midland National Bank; no Pres. in place of Henry Judy, deceased.

Wellsville—People's National Bank; D. S. Brookman, Vice-Pres. in place of E. H. Riggs.

OREGON.

Enterprise—Wallowa National Bank; Geo. W. Hyatt, Pres. in place of J. M. Church, deceased; Geo. S. Craig, Vice-Pres. in place of Geo. W. Hyatt.

Hood River—First National Bank; F. S. Stanley, Pres. in place of R. Smith; E. L. Smith, Vice-Pres. in place of F. S. Stanley.

La Grande—Farmers & Traders' National Bank; Geo. Ackler, Vice-Pres. in place of J. H. Robbins; C. J. Scriber, Asst. Cashier.

Union—First National Bank; C. W. Wright, Asst. Cashier.

PENNSYLVANIA.

Clairton—Clairton National Bank; D. C. W. Birmingham, Cashier in place of Thomas E. Poe.

Columbia—First National Bank; Horace Detwiler, Cashier in place of Geo. W. Haldeman.

Gallitzen—First National Bank; H. A. Guepner, Cashier in place of W. D. Gilson.

Homestead — Homestead National Bank; John B. Martin, Asst. Cashier.

Oakdale—First National Bank; L. G. Simpson, Vice-Pres.

Millsboro—First National Bank; James G. Gibson, Pres. in place of Geo. L. Moore.

New Freedom—First National Bank; G. F. Miller, Pres. in place of W. D. Bahn; P. O. Klinefelter, Vice-Pres. in place of G. F. Miller.

Philadelphia—Manayunk Trust Co.; C. W. Klauder, Pres., deceased.

Portage—First National Bank; F. W. Eicher, Asst. Cashier.

Uniontown—People's Bank of Fayette County; J. H. Kerr, Vice-Pres.; Jasper Cope, Cashier in place of J. H. Kerr.

York—Drovers & Mechanics' National Bank; Jacob Beitzel, Pres. in place of Samuel Lightenberger.

RHODE ISLAND.

Newport—National Exchage Bank; David Braman, Vice-Pres.

Woonsocket—National Globe Bank; Darius D. Farnum, Pres. in place of Arlon Mowry, deceased; also President Mechanics' Savings Bank.

SOUTH CAROLINA.

Pickens—Pickens Bank; J. McD. Bruce, Pres. in place of W. T. McFall; W. M. Hagood, Vice-Pres.

Sumter—First National Bank; Neill O'Donnell, Vice-Pres.; J. L. McCallum, Cashier in place of R. L. Edmunds.

SOUTH DAKOTA.

Mitchell—Western National Bank; J. H. Creighton, Vice-Pres.; no Asst. Cashier in place of W. A. Heimberger.

TENNESSEE.

Crossville—Bank of Crossville; J. R. Mitchell, Cashier in place of Charles C. Black.

Jackson—Jackson Banking Co.; W. E. Dunaway, Pres.; A. A. Booth, Vice-Pres.

Martin—First National Bank; S. O. Higgason, Pres. in place of J. L. Smith, deceased.

Union City—Union City Bank & Trust Co.; John A. Hefley, Cashier.

TEXAS.

Amarillo—Amarillo National Bank; J. H. Boyce, Asst. Cashier in place of Frank B. Salter.
Austin—First National Bank; no Vice-Pres. in place of W. B. Wortham.
Cameron—Citizens' National Bank; no Vice-Pres. in place of T. G. Sampson.
Center—First National Bank; O. H. Solley, Pres. in place of W. I. Davis; W. D. Ellington, Vice-Pres. in place of J. W. Saunders; J. W. Saunders, Cashier in place of A. Ford.
Ferris—Ferris National Bank; T. G. Cole, Pres. in place of K. L. White; C. W. Crum, Vice-Pres. in place of J. Jolisch; J. H. Carpenter, Cashier in place of T. G. Cole.
Jacksboro—First National Bank; E. R. Worthington, Vice-Pres. in place of S. W. Eastin.
Kaufman—Citizens' National Bank; Columbus H. Cole, Cashier in place of Albert H. Self.
Livingston—Citizens' National Bank; L. R. Fife, Cashier in place of J. L. Muller.
Mabank—First National Bank; L. C. Spike, Pres. in place of Joe. R. Gillespie; no Second Vice-Pres. in place of W. E. Easterwood; R. B. Still, Cashier in place of John H. Dill; no Asst. Cashier in place of R. B. Still.
Memphis—First National Bank; no Asst. Cashier in place of S. E. Sweatman.
Port Arthur—First National Bank; C. A. Fisher in place of Frank Cummins; Chas. St. John, Asst. Cashier in place of C. A. Fisher.
Rockwall—Citizens' National Bank; B. H. Wisdom, Asst. Cashier.

VERMONT.

Enosburg Falls—First National Bank; H. F. Kimball, Cashier.

VIRGINIA.

Lynchburg — National Exchange Bank; H. T. Nicholas, Cashier in place of James T. Bowman.
Petersburg—Petersburg Banking & Trust Co.; Augustus Wright, Pres. in place of Nelson T. Patterson.
Roanoke—Century Bank; absorbed by National Exchange Bank.

WASHINGTON.

Seattle—Washington National Bank; Ralph S. Stacy, Cashier in place of R. R. Walker, Acting Cashier; R. R. Walker, Asst. Cashier.

WEST VIRGINIA.

Princeton—Princeton Banking Co.; H. W. Straley, Pres., deceased.

WISCONSIN.

Ladysmith—First National Bank; no Asst. Cashier in place of C. A. Knudson.

WYOMING.

Meeteetse—First National Bank; Adam Hogg, Pres. in place of W. T. Hogg; Angus J. McDonald, Vice-Pres.; C. M. Wiese, Cashier in place of W. J. Deegan.

CANADA.

NOVA SCOTIA.

Halifax—People's Bank of Halifax, absorbed by Bank of Montreal.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

MICHIGAN.

Midland—Exchange Bank.

NEW HAMPSHIRE.

Portsmouth—Rockingham National Bank.

OHIO.

Columbiana—Shilling & Co.
Columbus—Merchants and Manufacturers' National Bank; in voluntary liquidation March 11; reorganized as Union National Bank.
Lorain—Citizens' Savings Bank.
Macksburg—Commercial Bank.
Somerset—First National Bank; in voluntary liquidation March 14; consolidated with Somerset Bank.

OKLAHOMA.

Lawton—Bank of Lawton.

TENNESSEE.

Cumberland Gap—Bank of Cumberland Gap; in hands of Charles F. Eager, Receiver.

TEXAS.

San Augustine—San Augustine National Bank; in voluntary liquidation February 10; consolidated with First National Bank.

WASHINGTON.

Lynden—Bank of Lynden.

CANADA.

NOVA SCOTIA.

Yarmouth—Bank of Yarmouth.

United States Foreign Trade.—While the exports of merchandise in February exceeded $109,000,000, they were less than were recorded in the corresponding months of the last six years, excepting only 1902. The imports were $103,000,000, and this is not only the largest for any February, but exceeds the total for any month in any previous year. The large imports brought the net balance down to less than $6,000,000, which compares with nearly $30,000,000 in 1904, $43,000,000 in 1903 and $50,000,000 in 1900.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, April 3, 1905.

DEARER MONEY IN NEW YORK, CHEAPER MONEY IN LONDON, and a cessation of gold exports, were among the noticeable happenings of the past month. In New York call money reached 4½ per cent. and the bank reserves declined until the surplus reserve had nearly disappeared. That there is to be an extended period of high rates for money is not generally believed, but a return to the low rates which formerly prevailed may be delayed for a time. In March last year the rate for call money did not go above two per cent., nor did it get above 2½ per cent. during the entire spring. In 1903, however, money touched eight per cent. in March and fifteen per cent. in April, but these were exceptional rates.

The Bank of England reduced its rate of discount from three to 2½ per cent., the latter being the lowest rate in seven years. The opposite tendency of money in the two great money centers resulted in lowering sterling exchange to the lowest point recorded at this season of the year since 1900. Heavy purchases of American securities for London account caused large offerings of bills of exchange and forced sterling nearly to the gold exporting point.

These changes go to establish the theory that the recent heavy exports of gold, culminating in a total of $14,700,000 in February, were largely due to the higher rates at which money was ruling abroad. Never before were the gold shipments as large in February as in the present year, and the cause is to be found in the relatively low rate which money commanded in New York.

As to the future of the money market there may be some doubt, but the evidence is not lacking of abundant capital seeking investment. Japan has placed a new loan of $150,000,000, one-half of which was offered in London and the other half in New York. The allotment here was oversubscribed as also was London's. While the success of the Japanese loan was being made known the announcement came that two of the most prominent banking houses in New York had underwritten a new $100,000,000 bond issue of the Pennsylvania Railroad Company. One-half of this issue was authorized several months ago, and the additional $50,000,000 last month. Part of the loan is to retire maturing bonds, and the remainder will be used from time to time in carrying out the plan of extension and improvement the company has already formulated.

Several important financial operations are under way by different railroad companies. The Louisville and Nashville stockholders have voted for an issue of $50,000,000 bonds on its Atlanta, Knoxville & Cincinnati division. The Vandalia Railroad, part of the Pennsylvania system, is to issue $25,000,000 of which $7,000,000 was taken last month. Other undertakings indicate that the railroads are meeting with more encouragement in the quest for new capital than was the case a year or two ago.

The railroad situation generally is very favorable, and there seems to be fair prospect of earnings again becoming the largest ever known. Not all the roads are yet reporting gains, and the February returns of some of the railroads were quite unfavorable, but the future is considered very promising, both for general business and for transportation interests.

If the old rule, that activity in railroad construction is evidence of railroad prosperity, still holds, then the outlook for the railroads is exceptionally hopeful. There are 7,500 miles of railroad now under contract to be

constructed, and it is possible that 9,000 miles will be well towards completion in the current year. Such activity has not been witnessed in many years. Its effect upon the steel trade will be very far-reaching. The great bulk of rails now made in the United States are Bessemer steel. The production of these rails in 1904 amounted to 2,137,957 tons against 2,946,756 tons in 1903, a decrease of 808,799 tons, or 27.4 per cent. In 1902 there were 2,935,392 tons produced and in 1901 2,870,816 tons. The production in 1904 was therefore much below that of each of the previous three years.

Another evidence of railroad prosperity present or impending is the largely increased demand for equipment. It is estimated that the orders taken so far this year by equipment companies approximate $150,000,000. In 1897 there were 43,588 cars constructed, and under the demand caused by the growing traffic of the railroads the total increased to 162,599 in 1902, with many unfilled orders which swelled the amount for 1903 to 153,195. In 1904, however, only 60,000 cars were built. Now there is a rapid increase in car construction again.

An interesting event of the month was the advance in the price of Delaware, Lackawanna and Western stock to $400 per share, while the dividend was raised to ten per cent. per annum. This road occupies an exceptional position and can hardly be regarded as a type of general conditions.

A decision of the United States Supreme Court last month may be considered a final disposition of the Northern Securities case. The court sustains the decision of the United States Circuit Court of Appeals by refusing to grant the application for a rehearing. In that decision the distribution of the assets of the company ratably among the shareholders was declared legal.

During the month about $13,000,000 of the Government deposits were withdrawn from the National banks under the call of the Secretary of the Treasury issued last November. Reports have been current that another call would soon be issued, still further reducing the deposits. For nearly eighteen months past the Government deposits in banks have been under process of reduction, and now they amount to only about $89,000,000 as compared with $168,000,000 on November 30, 1903. The working cash balance has fluctuated between $31,000,000 and $62,000,000 and is now $52,000,000. Should, however, the revenues of the Government continue to fall below the disbursements, the balance might fall low enough to make the withdrawal of deposits from the banks a necessity. The following table shows the monthly changes in the cash balances in the United States Treasury and the public deposits in National banks since November, 1903:

END OF	*Available cash balance.*	*In National bank depositories.*	*Balance in U. S. Treasury*
November, 1903	$219,237,429	$168,047,060	$51,190,369
December, "	229,374,895	166,446,737	62,928,158
January, 1904	228,745,084	166,595,774	62,149,310
February, "	223,068,505	162,505,517	60,562,988
March, "	224,699,995	162,058,353	62,641,642
April, "	220,919,188	162,729,006	58,190,182
May, "	163,287,515	114,533,126	48,754,389
June, "	169,027,242	113,688,618	55,338,624
July, "	154,081,579	112,642,766	41,438,813
August, "	147,975,364	112,841,418	35,133,946
September, "	151,414,162	112,303,505	39,110,657
October, "	146,352,797	114,558,481	31,794,316
November, "	143,344,658	112,041,488	31,303,170
December, "	146,592,689	111,550,854	35,041,835
January, 1905	140,625,796	102,407,258	38,218,538
February, "	140,681,839	102,128,348	38,553,491
March, "	141,821,623	89,395,018	52,426,605

It is evident from the foregoing that the reduction in Government deposits in the National bank depositories has been caused by the reduction in the available cash balance of the Treasury. While the deposits in banks have fallen off $78,600,000, the total cash balance has been reduced $77,400,-

000. The Government has drawn out its funds because they were needed.

It has been noticed that as the Government withdrew its deposits from the banks, the volume of National banking circulation increased, the assumption being that bonds deposited to secure public deposits when withdrawn were redeposited to secure circulation. In the table below are shown the amounts of bonds deposited to secure circulation and public deposits at the end of each month since November, 1903:

END OF	*Government bonds to secure notes.*	*Government bonds to secure deposits.*	*Total bonds to secure deposits.*
November, 1903	$384,625,930	$127,765,770	$158,588,940
December, "	389,835,680	137,321,770	169,379,940
January, 1904	390,231,600	137,281,770	169,441,940
February, "	392,671,550	135,257,370	186,034,898
March, "	398,034,650	125,769,640	175,652,768
April, "	399,795,140	122,839,100	171,436,228
May, "	410,572,640	109,196,350	124,177,850
June, "	416,016,690	108,032,050	119,983,550
July, "	417,258,690	108,306,050	119,577,550
August, "	419,683,940	106,716,050	116,779,550
September, "	424,701,490	104,948,350	115,391,850
October, "	426,544,790	104,818,650	115,041,650
November, "	431,075,840	103,074,650	114,275,650
December, "	433,928,140	101,646,350	112,456,850
January, 1905	439,529,040	95,911,150	105,474,150
February, "	441,788,140	93,908,650	103,538,650
March, "	449,009,890	84,466,050	93,106,350

While there have been variable fluctuations during the period covered in the above table, it will be noticed that the increase in Government bonds deposited to secure bank notes since November 30, 1903, is almost the same as the decrease in total bonds to secure public deposits, the former being $64,400,000 and the latter $65,400,000. But the Government accepted various bonds as security for deposits which were not acceptable as security for circulation. The decrease in Government bonds deposited to secure public deposits was only about $43,000,000, and it is reasonable to assume that about all of them are now doing duty as security for bank-note circulation. With the further withdrawal of Treasury deposits from the banks, an additional increase in bank circulation may be expected.

Our foreign trade, by reason of the close approximation of imports and exports in February, is attracting no little attention. The exports were less than $6,000,000 in excess of imports, the smallest balance, with a single exception, reported in any month since June, 1897. For nearly eight years our exports have exceeded our imports month after month continuously. In ninety-two months the total balance of exports has been $3,978,000,000, or an average of more than $43,000,000 a month. The monthly balance has

YEAR.	*Largest net exports.*		*Smallest net exports.*	
1890	Dec.,	$37,649,421	July,	*$23,114,472
1891	"	50,487,873	June	*15,867,491
1892	Jan.,	37,418,786	July,	*7,268,263
1893	Dec.,	43,626,862	Mar.,	*20,146,953
1894	Jan.,	33,440,279	Apr.,	4,084,775
1895	Dec.,	30,328,070	July,	*16,484,057
1896	Oct.,	63,049,267	Mar.,	9,118,521
1897	Dec.,	73,547,998	Apr.,	*23,673,620
1898	"	82,711,455	July,	*21,540,668
1899	Jan.,	57,351,675	Apr.,	23,586,645
1900	Oct.,	92,757,477	July,	36,798,601
1901	Jan.,	67,018,521	June,	34,769,606
1902	Oct.,	56,903,358	July,	9,642,753
1903	Dec.,	97,050,932	Aug.	7,397,195
1904	Oct.,	69,749,623	"	4,516,013

* Largest net imports.

ranged from $4,516,013 last August to $97,050,932 in December, 1903. Twice the balance exceeded $90,000,000 and twice was in excess of $80,000,000. The balance in February was only $5,967,017, less than in any other month excepting August, 1904. In only four other months have the net exports fallen below $10,000,000.

In the preceding table is shown the largest and smallest monthly export balances in each calendar year since 1890:

In January this year the net exports were $25,050,819, making for two months $31,000,000 as compared with $89,000,000 in 1904, $92,000,000 in 1903 and $83,000,000 in 1902. While the export movement has fallen off to some extent, the large reduction in balances is due to the extraordinary increase in imports. These reached $103,057,052 in February, the largest total ever recorded in any single month. In April, 1897, imports exceeded $101,000,000 pending tariff legislation causing a heavy import movement in anticipation of higher duties. In no other month did imports reach $100,000,000, but in each of the last five months imports have ranged from about $93,000,000 to over $103,000,000.

The table below, giving the extreme movements of monthly exports and imports since 1890, shows how our foreign trade has expanded in recent years. It also gives an approximate idea of the period during which imports and exports reach extreme points:

YEAR.	*Largest exports.*	*Smallest exports.*	*Largest imports.*	*Smallest imports.*
1890.........	Dec., $98,451,742	June, $53,111,350	July, $77,559,304	Dec., $60,802,331
1891.........	" 119,935,896	" 57,594,734	Apr., 81,275,106	Sept., 61,504,737
1892.........	Jan., 100,138,336	July, 58,401,758	Mar., 86,570,533	Jan., 62,719,550
1893.........	Dec., 93,551,729	Apr., 59,873,346	" 86,663,524	Sept., 46,300,612
1894.........	Jan., 85,940,226	July, 52,614,176	" 66,031,689	Feb., 48,725,094
1895.........	Dec., 92,529,117	June, 54,967,840	Oct., 75,080,344	" 58,315,981
1896.........	" 117,185,926	May, 66,568,263	Jan., 68,647,600	Aug., 49,468,190
1897.........	" 125,063,961	July, 71,103,968	Apr., 101,322,406	" 39,844,605
1898.........	" 137,850,594	" 72,525,049	Mar., 61,562,183	Sept., 48,456,387
1899.........	Oct., 125,966,527	Apr., 88,794,873	" 72,820,746	Jan., 58,239,771
1900.........	" 163,388,511	July, 100,453,293	" 86,522,456	Sept., 59,568,600
1901.........	" 145,659,415	June, 102,774,263	Oct., 81,446,763	Feb., 64,501,699
1902.........	Dec., 147,992,403	July, 88,790,627	Dec., 94,356,987	" 68,350,459
1903.........	" 174,819,566	Aug., 89,446,457	Mar., 96,230,457	Nov., 77,006,310
1904.........	Oct., 162,527,943	July, 85,223,479	Dec., 96,566,759	July, 71,193,943

The fluctuations in trade movements are very wide, but as a rule much greater in exports than in imports. Last year exports increased from $85,000,000 in July to $162,000,000 in October. From that figure they fell to $109,000,000 in February. Imports last year increased from $71,000,000 in July to $96,000,000 in December and have increased $7,000,000 since December.

It is an interesting question whether imports are to continue to increase as in the past. If so, will there be a similar growth in exports? The latter may be expected to increase when the exports of foodstuffs become normal again. The cotton movement is also small and has had its effect in reducing the total. Planters have been holding back their cotton because of the decline in price, but the Government figures show that the crop of 1904 exceeded 13,500,000 bales.

There has been a shortage in grain which has reduced exports to a minimum point. The first report of the year on the winter wheat crop will be made by the Government in April, and is expected to make a favorable showing as there has been a good covering of snow during the winter. With a good wheat crop this year, unless the advance in prices for manufactured goods causes a reduction in exports of manufactures, the total export movement should be making new records late in the year.

THE MONEY MARKET.—Rates for money in the local market made a sharp advance during the month, call money loaning at 4½ per cent., the highest rate recorded this year. The marketing of the Japanese loan and the usual preparation for April 1st dividend and interest disbursements, were important factors in the money market. At the close of the month call money

ruled at 3⅛ @ 4½ per cent., averaging about 4 per cent. Banks and trust companies loaned at 3½ per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 3¼ @ 3½ per cent. for 60 to 90 days and 3½ @ 3¾ per cent. for 4 to 6 months, on good mixed collateral. For commercial paper the rates are 3¾ @ 4¼ per cent. for 60 to 90 days' endorsed bills receivable, 4 @ 4½ per cent. for first-class 4 to 6 months' single names, and 4½ @ 5 per cent. for good paper having the same length of time to run.

Money Rates in New York City.

	Nov. 1.	*Dec. 1.*	*Jan 1.*	*Feb. 1.*	*Mar. 1.*	*Apr. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	2 –2½	3½–4	2½–5	1¾–2	2¼–3	3½–4½
Call loans, banks and trust companies	2 –2½	3½–4	2½–	2 –	2¼–	3½–
Brokers' loans on collateral, 30 to 60 days	3 –	4 –	3 – 3¼	2¾–	3 – ¼	3¼– ½
Brokers' loans on collateral, 90 days to 4 months	3¼– ½	4 –	3¼– ½	3 –3¼	3¼–	3½– ¾
Brokers' loans on collateral, 5 to 7 months	3¾–4	4 –	3¼– ½	3¼– ½	3½– ¾	3½– ¾
Commercial paper, endorsed bills receivable, 60 to 90 days	4 –4½	4 –4½	4 –4½	3½–4	3½–4	3¾–4¼
Commercial paper prime single names, 4 to 6 months	4 –4½	4¼–4¾	4 –4½	3¾–4¼	3¾–4¼	4 –4½
Commercial paper, good single names, 4 to 6 months	5½–6	5 –5½	4½–5	4½–	4½–5	4½–5

New York City Banks.—Since the first week in March there has been a rapid reduction in loans and deposits of the New York Clearing-House banks. Between February 25 and March 4 loans increased $13,000,000, but in the last four weeks they were reduced $35,000,000. Deposits show even a greater fluctuation, for after increasing $10,000,000 in the first week they fell off $51,000,000 in the four weeks. The banks lost $15,000,000 in reserves during the month, $13,000,000 being in specie. The surplus reserve fell to about

New York City Banks—Condition at Close of Each Week.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Mar. 4...	$1,134,425,300	$219,628,400	$86,253,800	$1,189,970,000	$8,889,700	$42,851,300	$2,347,246,000
" 11...	1,132,920,300	221,189,700	85,004,900	1,187,665,800	9,278,150	42,864,500	1,731,482,400
" 18...	1,127,678,400	215,060,000	83,703,700	1,174,438,100	5,154,175	42,803,500	2,062,637,900
" 25...	1,109,701,700	210,350,200	83,794,600	1,150,661,900	6,479,825	43,059,800	1,814,982,000
April 1...	1,099,289,700	209,481,100	83,848,800	1,138,661,300	8,664,575	43,718,700	1,914,562,300

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	1903.		1904.		1905.	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$873,115,000	$10,193,850	$866,178,900	$9,541,850	$1,104,049,100	$13,683,425
February	931,778,900	27,880,775	1,023,943,800	25,129,050	1,189,828,600	26,979,550
March	956,206,400	5,951,900	1,027,920,400	32,150,200	1,179,824,900	14,646,975
April	894,260,000	6,280,900	1,069,369,400	27,755,050	1,138,661,300	8,664,575
May	905,760,200	11,181,850	1,114,367,800	33,144,250	....	....
June	913,081,800	9,645,150	1,098,953,500	29,692,325	....	....
July	903,719,800	12,923,850	1,152,988,800	36,105,300	....	....
August	908,864,500	24,060,075	1,204,965,600	55,969,600	....	....
September	920,123,900	20,677,925	1,207,302,800	57,375,400	....	....
October	897,214,400	13,937,500	1,212,977,100	19,913 425	....	....
November	885,616,600	10,274,150	1,204,434,200	16,793,650	....	....
December	841,552,000	6,125,200	1,127,878,100	8,539,075	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,145,-989,200 on October 8, 1904, and the surplus reserve $111,623,000 on Feb. 8, 1894.

$5,000,000 on March 18, but increased to nearly $8,700,000 on April 1. Deposits are about $69,000,000 more than they were a year ago and loans are $76,000,000 larger. The specie reserve is $14,000,000 less than at this time last year, while legal tenders show an increase of $12,000,000.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
Mar. 4....	$106,861,600	$121,119,900	$4,435,500	$5,949,100	$12,963,900	$7,988,200	$1,056,725
" 11....	107,928,700	121,004,400	4,607,500	6,105,600	12,776,800	7,455,000	468,800
" 18....	109,030,700	124,913,700	4,550,400	6,024,400	15,023,800	7,423,400	1,793,075
" 25....	110,470,800	122,528,100	4,564,000	5,914,300	12,846,900	7,053,400	753,425
April 1.....	111,721,300	123,271,300	4,462,000	5,953,700	12,136,100	6,763,200	*1,502,825

* Deficit.

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Mar. 4........	$192,547,000	$225,079,000	$16,297,000	$6,139,000	$7,296,000	$155,748,800
" 11........	191,564,000	223,118,000	16,170,000	5,878,000	7,315,000	138,019,800
" 18........	192,881,000	229,638,000	18,965,000	6,025,000	7,397,000	152,910,700
" 25........	194,821,000	230,030,000	19,681,000	5,948,000	7,515,000	145,554,100
April 1........	196,258,000	228,277,000	18,969,000	5,770,000	7,780,000	....

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Mar. 4..................	$222,129,000	$264,975,000	$68,482,000	$11,964,000	$150,938,900
" 11..................	222,176,000	262,255,000	65,574,000	11,942,000	122,725,200
" 18..................	220,377,000	260,457,000	65,347,000	11,917,000	126,388,400
" 25..................	219,815,000	256,780,000	63,549,000	12,009,000	122,460,600
Apr. 1..................	220,026,000	253,017,000	59,569,000	12,188,000	116,480,400

MONEY RATES ABROAD.—Rates are lower in London and higher in Paris and Berlin than they were a month ago. The Bank of England on March 9 reduced its posted rate of discount to 2½ per cent. from 3 per cent., the rate which had ruled since April 21, 1904. The Bank of the Netherlands reduced its rate also from 3 to 2½ per cent. Discounts of 60 to 90 day bills in London at the close of the month were 2 per cent., against 2⅜ @ 2 7/16 per cent. a month ago. The open market rate at Paris was 2⅛ per cent., against 1½ per cent. a month ago, and at Berlin and Frankfort 2¼ @ 2½ per cent., against 2 per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Dec. 30, 1904.	*Feb. 2, 1905.*	*Mar. 2, 1905.*	*Mar. 30, 1905.*
Circulation (exc. b'k post bills)..........	£28,205,000	£27,558,000	£27,593,000	£28,595,000
Public deposits..........................	9,104,000	7,421,000	15,190,000	18,274,000
Other deposits..........................	44,321,000	42,641,000	41,590,000	42,559,000
Government securities..................	15,610,000	16,308,000	16,590,000	15,589,000
Other securities........................	35,484,000	25,471,000	29,829,000	33,413,000
Reserve of notes and coin..............	20,173,000	22,825,000	29,853,000	28,187,000
Coin and bullion........................	29,927,272	35,510,000	38,994,000	39,753,914
Reserve to liabilities..................	37¾%	52⅝%	52½%	49⅛%
Bank rate of discount..................	3%	3%	3%	2½%
Price of Consols (2¾ per cents.)..........	88⅝	88⅛	91 1/16	91 1/16
Price of silver per ounce................	28 9/16d.	28⅛d.	27 11/16d.	26 1/16d.

FOREIGN BANKS.—There was little change in the gold holdings of the principal European banks last month. All are better supplied with gold

than they were a year ago. The Bank of England has nearly $20,000,000 more, France $95,000,000, Germany $35,000,000 and Russia $50,000,000.

Gold and Silver in the European Banks.

	February 1, 1905.		March 1, 1905.		April 1, 1905.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£34,402,403	....	£38,853,000	....	£38,994,989	....
France	107,708,228	£44,055,438	112,837,475	£44,180,362	112,470,302	£44,083,193
Germany	40,511,000	13,503,000	41,635,000	13,879,000	41,113,000	13,705,000
Russia	100,577,000	5,732,000	103,056,000	6,186,000	102,030,000	6,146,000
Austria-Hungary	48,401,000	12,537,000	48,224,000	12,701,000	48,254,000	12,828,000
Spain	14,914,000	19,954,000	14,937,000	20,308,000	14,941,000	20,530,000
Italy	22,369,000	3,227,800	22,264,000	3,250,600	22,264,000	3,250,600
Netherlands	5,831,900	6,300,700	6,003,300	6,291,800	6,003,300	6,291,800
Nat. Belgium	3,235,333	1,617,667	3,189,333	1,594,667	3,184,667	1,592,333
Totals	£377,949,864	£106,927,605	£390,999,331	£108,341,429	£389,255,258	£108,426,926

Foreign Exchange.—Under the influence of dearer money in New York and the reduction in the rate of discount, foreign exchange declined during the greater part of the month. There was a slight advance late in the month.

Rates for Sterling at Close of Each Week.

Week ended.	Bankers' Sterling. 60 days.	Bankers' Sterling. Sight.	Cable transfers.	Prime commercial, Long.	Documentary Sterling, 60 days.
Mar. 4	4.8460 @ 4.4875	4.8665 @ 4.8675	4.8710 @ 4.8715	4.84⅜ @ 4.84½	4.83⅝ @ 4.84½
" 11	4.8480 @ 4.8490	4.8680 @ 4.8685	4.8710 @ 4.8715	4.84½ @ 4.84⅝	4.84 @ 4.85
" 18	4.8430 @ 4.8440	4.8630 @ 4.8640	4.8665 @ 4.8675	4.83⅞ @ 4.84	4.83¼ @ 4.84½
" 25	4.8370 @ 4.8380	4.8565 @ 4.8575	4.8590 @ 4.8600	4.83¼ @ 4.83⅜	4.82⅝ @ 4.83¾
Apr. 1	4.8410 @ 4.8420	4.8595 @ 4.8600	4.8630 @ 4.8635	4.83¾ @ 4.83⅛	4.83 @ 4.84¼

Foreign Exchange—Actual Rates on or about the First of Each Month.

	Dec 1.	Jan. 1.	Feb. 1.	March 1.	April 1.
Sterling Bankers—60 days	4.83⅝— ¾	4.84¾— ⅞	4.85⅝— ¾	4.84½—	4.84⅛— ¼
" " Sight	4.86½—⅝	4.87⅛— ¼	4.88 —	4.86⅝—	4.85⅞—86
" " Cables	4.86⅞—87	4.87¾— ⅞	4.88⅜— ½	4.87 — ⅛	4.86¼— ⅜
" Commercial long	4.83¼— ½	4.84½— ⅝	4.85 — ¼	4.84¼— ⅜	4.83¾— ⅞
" Docu'tary for paym't.	4.83 — 4¼	4.83¾— ⅞	4.84¾— 5⅛	4.83¾— 4¾	4.83 — 4¼
Paris—Cable transfers	5.16¼—	5.15 1/16— 1/16	5.14⅜—	5.17½—16⅞	5.17½—16⅞
" Bankers' 60 days	5.18¾—	5.18⅛—	5.17½—16⅞	5.18¾—	5.20 —19⅝
" Bankers' sight	5.16⅞—	5.16¼—15⅝	5.15 1/16—15	5.17½—	5.17½—
Swiss—Bankers' sight	5.17½—	5.16⅞—	5.16⅞— ¼	5.18⅛—	5.18⅛—
Berlin—Bankers' 60 days	94⅞— 15/16	95 1/32—95	94 15/16—95	94 15/16— ¾	94 9/16— ⅝
" Bankers' sight	95 1/16— ⅛	95½—	95⅝— 1/16	95 — 1/16	94 15/16—95
Belgium—Bankers' sight	5.17½—	5.16⅞—	5.16¼—	5.18⅛—	5.18⅛—
Amsterdam—Bankers' sight	40⅝—	40⅝—	40⅝— 11/16	40¼— 3/16	40¼— 3/16
Kronors—Bankers' sight	26.83—26.85	26.86—26.88	26 11/16— 13/16	26.11— 13/16	26¾— ⅞
Italian lire—sight	5.16¼—15⅝	5.15⅝—	5.15 —14⅝	5.17½—16⅞	5.17½—

Silver.—The price of silver in London declined from 27 11/16 d. on March 1 to 25 13/16 d. on March 31, and was weak at the close of the month.

Monthly Range of Silver in London—1903, 1904, 1905.

Month.	1903. High	1903. Low.	1904. High	1904. Low.	1905. High	1905. Low.	Month.	1903. High	1903. Low.	1904. High	1904. Low.	1905. High	1905. Low.
January	22⅜	21 11/16	27 5/16	25⅛	28 9/16	27 5/16	July	25⅝	24¼	27	26⅜	....	....
February	22 5/16	21⅞	27½	25⅝	28⅜	27 3/16	August	26¾	25 3/16	27	26 3/16	....	....
March	22 13/16	22⅛	26 13/16	25⅛	28 3/16	27⅝	Septemb'r	26 7/16	26 3/16	26⅝	26	....	....
April	25 3/16	22⅝	25⅛	24 7/16	27 11/16	25 11/16	October	28⅛	27 7/16	26 13/16	26⅛	....	....
May	25¾	24 3/16	25 11/16	25⅛	....	....	Novemb'r	27⅝	26¼	27 3/16	26¾	....	....
June	24 5/16	24⅛	26⅛	25 5/16	....	....	Decemb'r	26⅛	25	....	....	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Sovereigns	$4.86	$4.89	Mexican doubloons	$15.55	$15.65
Bank of England notes	4.86	4.89	Mexican 20 pesos	19.55	19.65
Twenty francs	3.87	3.90	Ten guilders	3.95	4.00
Twenty marks	4.74	4.77	Mexican dollars	.43⅛	.47
Twenty-five pesetas	4.78	4.82	Peruvian soles	.40	.43⅛
Spanish doubloons	15.55	15.65	Chilian pesos	.40	.43½

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 25¾d. per ounce. New York market for large commercial silver bars, 55⅞ @ 57¼c. Fine silver (Government assay), 56 @ 57¾c. The official price was 55¾c.

NATIONAL BANK CIRCULATION.—The volume of bank notes in circulation was increased $6,745,105 during the month, making an increase of $41,039,003 in the past twelve months. Of the increase in March $6,500,000 was in notes based upon Government bonds. More than $7,000,000 of bonds were deposited to secure circulation, while the securities deposited to secure public deposits were reduced $10,000,000.

NATIONAL BANK CIRCULATION.

	Dec. 31, 1904	*Jan. 31, 1905.*	*Feb. 28, 1905.*	*Mar. 31, 1905.*
Total amount outstanding	$464,794,156	$467,422,853	$469,203,840	$475,948,945
Circulation based on U. S. bonds	431,841,785	435,807,901	438,370,084	444,870,179
Circulation secured by lawful money	32,952,371	31,614,952	30,833,756	31,078,766
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	6,898,600	8,155,900	8,401,200	9,474,300
Four per cents. of 1895	1,791,600	1,845,350	1,835,100	2,300,500
Three per cents. of 1898	1,981,040	2,100,040	2,527,540	2,714,440
Two per cents. of 1900	423,256,900	427,427,750	429,024,300	434,520,650
Total	$433,928,140	$439,529,040	$441,788,140	$449,009,890

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $9,056,400; 5 per cents. of 1894, $100,000; 4 per cents. of 1895, $8,283,700; 3 per cents. of 1898, $7,625,000; 2 per cents. of 1930, $59,401,950; District of Columbia 3.65's, 1924, $1,903,000; State and city bonds, $56,000; Philippine Island certificates, $2,226,000; Hawaiian Islands bonds, $960,000; Philippine loan, $3,102,000; Philippine improvement bonds, $152,000; a total of $93,106,350.

GOLD AND SILVER COINAGE.—The Mints coined $5,025,320.50 gold in March, of which $10,013 was in Lewis & Clark Exposition Dollars. The silver coinage amounted to $500,276.25 and minor coinage to $329,100, a total of $5,854,696.75. There were 4,939,404 pieces coined for the Philippines.

COINAGE OF THE UNITED STATES.

	1903.		*1904.*		*1905.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
January	$7,635,178	$1,707,000	$2,765,000	$4,657,000	$7,819,050	$681,012
February	7,488,510	1,521,000	35,603,500	1,475,000	4,306,580	559,000
March	6,879,920	1,595,987	63,605,790	1,491,509	5,025,321	500,276
April	137,400	1,809,000	26,177,600	1,158,000	....	....
May	69,000	1,584,000	44,109,000	380,000	....	....
June	610	3,840,222	14,884,400	342,143	....	....
July	....	337,327	....	455,519	....	....
August	450,000	452,000	1,385,000	1,591,000	....	....
September	645,692	1,807,469	14,585,705	1,452,082	....	....
October	1,540,000	2,324,000	29,706,375	843,000	....	....
November	8,794,600	1,401,000	528,780	878,871	....	....
December	10,043,060	1,567,435	51,278	471,487	....	....
Year	$43,683,970	$19,874,440	$233,402,428	$15,695,610	$17,150,951	$1,740,288

GOVERNMENT REVENUES AND DISBURSEMENTS.—The receipts of the Government in March exceeded the disbursements by $972,000, but there is still a deficit of nearly $24,500,000 for the nine months of the fiscal year. Last year there was a surplus of $3,000,000 in March and of nearly $8,000,000 in

the corresponding eight months. Expenditures during the fiscal year have increased $34,000,000 while receipts increased less than $2,000,000.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	*March, 1905.*	*Since July 1, 1904.*
Customs	$24,008,104	$199,795,541
Internal revenue	19,500,816	175,400,555
Miscellaneous	2,763,836	36,739,872
Total	$46,267,756	$411,935,967
Excess receipts	972,630	*24,478,138

Expenditures.

Source.	*March, 1905.*	*Since July 1, 1904.*
Civil and mis.	$10,854,483	$111,189,195
War	10,272,710	98,381,716
Navy	9,777,968	89,533,390
Indians	1,685,918	11,237,263
Pensions	12,815,580	107,955,899
Interest	388,467	18,116,642
Total	$45,295,126	$436,414,105

* Excess expenditures.

Supply of Money in the United States.—The stock of money in the country increased $14,000,000 in March, about equally divided between gold and National bank notes. The total is nearly $2,843,000,000, the largest amount ever recorded:

Supply of Money in the United States.

	Jan. 1, 1905.	*Feb. 1, 1905.*	*Mar. 1, 1905.*	*Apr. 1, 1905.*
Gold coin and bullion	$1,345,952,535	$1,341,206,452	$1,331,165,720	$1,338,274,546
Silver dollars	567,795,889	567,795,889	567,795,889	567,795,889
Silver bullion	1,708,079	1,248,700	927,992	536,672
Subsidiary silver	112,171,494	112,642,674	113,162,870	113,670,338
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	464,794,156	467,422,853	469,203,840	475,948,945
Total	$2,839,103,169	$2,836,997,584	$2,828,937,327	$2,842,907,406

United States Public Debt.—A reduction of $4,500,000 in certificates and Treasury notes outstanding made the aggregate debt less than it was a

United States Public Debt.

	Jan. 1, 1905.	*Feb. 1, 1905.*	*Mar. 1, 1905.*	*Apr. 1, 1905.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$542,909,950	$542,909,950	$542,909,950	$542,909,950
Funded loan of 1907, 4 "	156,593,650	156,593,750	156,593,800	156,593,800
Refunding certificates, 4 per cent	28,610	28,550	28,520	28,520
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	77,135,360	77,135,360	77,135,360	77,135,360
Total interest-bearing debt	$895,157,470	$895,157,510	$895,157,530	$895,157,530
Debt on which interest has ceased	1,447,260	1,431,470	1,417,320	1,406,450
Debt bearing no interest:				
Legal tender and old demand notes	346,734,863	346,734,868	346,734,863	346,734,863
National bank note redemption acct.	31,933,951	30,363,106	30,077,818	30,279,435
Fractional currency	6,868,465	6,868,465	6,868,465	6,867,902
Total non-interest bearing debt	$385,537,279	$383,966,434	$383,681,146	$383,882,200
Total interest and non-interest debt.	1,282,142,010	1,280,555,415	1,280,255,997	1,280,446,180
Certificates and notes offset by cash in the Treasury:				
Gold certificates	524,684,969	525,959,969	521,149,969	518,186,969
Silver "	477,102,000	474,225,000	469,655,000	468,314,000
Treasury notes of 1890	11,019,000	10,702,000	10,330,000	10,111,000
Total certificates and notes	$1,012,805,969	$1,010,886,969	$1,001,134,969	$996,611,969
Aggregate debt	2,294,947,979	2,291,442,384	2,281,390,966	2,277,058,149
Cash in the Treasury:				
Total cash assets	1,402,124,509	1,390,921,067	1,380,532,680	1,379,196,552
Demand liabilities	1,105,531,820	1,100,295,271	1,089,850,841	1,087,374,929
Balance	$296,592,689	$290,625,796	$290,681,839	$291,821,623
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	146,592,689	140,625,796	140,681,839	141,821,623
Total	$296,592,689	$290,625,796	$290,681,839	$291,821,623
Total debt, less cash in the Treasury	985,519,321	989,929,619	989,574,158	988,624,557

month ago. The net debt, however, was reduced less than $1,000,000. The cash balance increased about $1,200,000. The debt less cash in the Treasury now amounts to $988,600,000, of which $895,000,000 consists of interest-bearing bonds.

MONEY IN CIRCULATION IN THE UNITED STATES.—There was a decrease of $1,600,000 in the amount of money in circulation. The most notable changes were a decrease of $10,000,000 in gold certificates and an increase of $10,700,000 in National bank notes.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1905.	*Feb. 1, 1905.*	*Mar. 1, 1905.*	*Apr. 1, 1905.*
Gold coin	$649,548,528	$649,527,502	$645,751,720	$644,726,546
Silver dollars	80,089,895	76,161,750	74,829,719	73,831,773
Subsidiary silver	102,891,827	101,079,480	100,214,885	99,755,170
Gold certificates	466,739,689	490,434,869	482,556,819	472,316,319
Silver certificates	468,017,227	460,250,046	461,761,899	462,480,576
Treasury notes, Act July 14, 1890	10,940,054	10,594,793	10,283,583	10,047,776
United States notes	342,287,627	334,468,020	332,619,383	332,064,873
National bank notes	449,157,278	446,538,205	453,096,704	463,819,950
Total	$2,569,621,125	$2,569,049,165	$2,560,614,712	$2,558,992,983
Population of United States	82,562,000	82,678,000	82,794,000	82,910,000
Circulation per capita	$31.12	$31.07	$30.93	$30.86

MONEY IN THE UNITED STATES TREASURY.—The gross amount of money in the Treasury increased nearly $6,000,000 and a reduction in certificates outstanding of nearly $10,000,000 made the increase in net cash in excess of $15,500,000.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1905.	*Feb. 1, 1905.*	*Mar. 1, 1905.*	*Apr. 1, 1905.*
Gold coin and bullion	$696,404,007	$691,678,950	$685,414,000	$693,548,000
Silver dollars	487,756,494	491,634,139	493,466,170	493,964,116
Silver bullion	1,708,079	1,248,700	927,992	536,672
Subsidiary silver	9,280,167	11,563,194	12,947,985	13,915,168
United States notes	4,393,389	12,217,996	14,061,633	14,616,143
National bank notes	15,636,878	20,884,648	16,107,136	12,128,995
Total	$1,215,179,014	$1,229,227,627	$1,222,924,916	$1,228,709,094
Certificates and Treasury notes, 1890, outstanding	945,696,970	961,279,208	954,602,301	944,794,671
Net cash in Treasury	$269,482,044	$267,948,419	$268,322,615	$283,914,423

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF FEBRUARY.	MERCHANDISE.				*Gold Balance.*		*Silver Balance.*	
	Exports.	*Imports.*	*Balance.*					
1900	$119,426,985	$68,833,941	Exp.,	$50,593,044	Imp.,	$507,458	Exp.,	$2,111,811
1901	112,957,014	64,501,699	"	48,455,315	"	1,442,462	"	2,389,760
1902	101,569,695	68,350,459	"	33,219,236	Exp.,	6,968,513	"	1,920,942
1903	125,586,024	82,622,246	"	42,963,778	Imp.,	311,086	"	2,179,507
1904	118,800,282	89,022,500	"	29,777,782	"	4,301,758	"	1,833,902
1905	109,024,069	103,057,052	"	5,967,017	Exp.,	12,603,332	"	1,972,782
EIGHT MONTHS.								
1900	919,473,471	555,253,574	Exp.,	364,219,897	Imp.,	6,930,090	Exp.,	14,471,012
1901	1,015,194,984	523,539,840	"	491,655,144	"	23,916,195	"	18,590,604
1902	974,238,113	594,467,457	"	379,770,656	"	3,004,796	"	15,530,111
1903	982,068,063	680,771,760	"	301,296,303	"	17,487,605	"	16,825,555
1904	1,047,946,626	654,362,184	"	393,584,442	"	50,216,748	"	13,323,213
1905	1,010,029,095	728,989,037	"	281,040,058	Exp.	43,258,735	"	15,871,429

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of March, and the highest and lowest during the year 1905, by dates, and also, for comparison, the range of prices in 1904:

	Year 1904.		Highest and Lowest in 1905.		March, 1905.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	89¼	64	93⅜—Mar. 9	84⅛—Jan. 25	93⅜	86¾	88
" preferred	104⅛	87⅝	104¼—Mar. 9	99 —Jan. 25	104¼	102	102½
Baltimore & Ohio	105¼	72⅞	111⅛—Mar. 13	100⅛—Jan. 25	111⅛	107⅛	108¼
Baltimore & Ohio, pref.	96⅛	87⅝	98 —Feb. 8	95¾—Jan. 12	97¾	96	96
Brooklyn Rapid Transit	70⅛	38	68⅜—Mar. 25	58⅛—Jan. 25	68⅜	64⅛	67⅞
Canadian Pacific	135¾	109⅛	150¼—Mar. 21	130¾—Jan. 25	150¼	137	148¼
Canada Southern	72	64	72⅞—Jan. 31	67⅛—Jan. 11	72	69¼	70
Central of New Jersey	194¾	154½	205½—Feb. 3	190¼—Jan. 3	203½	198⅝	200
Ches. & Ohio	51	28¼	60⅛—Mar. 21	46⅝—Jan. 25	60⅛	49¾	57¼
Chicago & Alton	47¼	33	44½—Mar. 15	38⅜—Mar. 8	44½	38⅜	41⅝
" preferred	85¼	75	83¼—Jan. 4	80 —Jan. 25	83¼	80	81
Chicago, Great Western	26¼	12⅞	25⅛—Mar. 16	21⅞—Jan. 25	25⅛	22½	23½
Chic., Milwaukee & St. Paul.	177⅝	137⅛	183¾—Mar. 14	171¼—Jan. 6	183¾	173¾	175½
" preferred	185⅞	173	192 —Jan. 31	182½—Jan. 13	192	185	185
Chicago & Northwestern	214½	161⅛	249 —Jan. 31	205⅛—Jan. 6	246¾	236⅞	248¾
" preferred	237	207	265½—Feb. 1	234 —Jan. 13	263	257	261
Chicago Terminal Transfer	16¼	5¼	19½—Feb. 17	7¾—Jan. 5	19	16½	18⅛
" preferred	27¾	11⅛	36⅛—Mar. 22	17½—Jan. 4	36½	31	35
Clev., Cin., Chic. & St. Louis.	99⅜	68½	111 —Mar. 21	90 —Jan. 14	111	97½	108½
Col. Fuel & Iron Co.	58⅜	25⅛	59 —Mar. 24	43 —Jan. 25	59	50⅜	57⅛
Colorado Southern	24⅜	13⅛	28¾—Feb. 8	22¼—Jan. 20	28⅝	23	26¾
" 1st preferred	63	48	64½—Feb. 10	59½—Mar. 29	62½	59½	61⅜
" 2d preferred	37½	17⅞	39½—Feb. 3	34 —Mar. 23	37¾	34	37
Consolidated Gas Co.	220	185	214 —Mar. 13	194½—Jan. 9	214	204	207½
Delaware & Hud. Canal Co.	190½	149	196 —Feb. 4	180¼—Jan. 25	194⅝	187	190¾
Delaware, Lack. & Western.	359¾	250½	400 —Mar. 14	335 —Jan. 25	400	358¼	394⅜
Denver & Rio Grande	35⅞	18	36½—Mar. 14	30⅜—Jan. 27	36½	32½	34¼
" preferred	89	64½	91 —Mar. 15	85 —Jan. 23	91	87¾	89½
Detroit Southern	14¾	1⅛	9⅞—Jan. 24	5 —Feb. 8	6½	5	5⅛
" preferred	33½	2¾	36½—Feb. 1	31⅜—Mar. 4	32	31⅜	32
Duluth So. S. & Atl., pref.	28½	9¼	37 —Jan. 21	25 —Jan. 3	34¼	30¼	32½
Erie	41⅝	21½	48¾—Mar. 11	37⅝—Jan. 3	48¾	44¾	45¾
" 1st pref	77	55⅝	83½—Mar. 11	75¼—Jan. 3	83½	79⅝	80⅝
" 2d pref	58½	33	71½—Mar. 8	55½—Jan. 3	71½	65⅝	67⅛
Evansville & Terre Haute	83	54	72½—Jan. 16	68 —Jan. 10	68	68	68
Express Adams	250	220	250 —Feb. 7	236 —Jan. 9	....	....	....
" American	219	180	246 —Feb. 27	209½—Jan. 4	238	228	230
" United States	126	100	134 —Feb. 8	120 —Jan. 9	134	126	126
" Wells, Fargo	250	200	260 —Feb. 21	235 —Jan. 3	250½	249½	250½
Hocking Valley	94	60	99 —Mar. 11	86⅝—Jan. 18	99	91½	95
" preferred	95	77	96⅞—Mar. 13	90 —Jan. 18	96⅞	91½	93¼
Illinois Central	159	125¾	164 —Mar. 16	152¾—Jan. 25	164	158	160
Iowa Central	33	14	32 —Feb. 3	27 —Mar. 23	29⅞	27	28
" preferred	59¾	32	58⅜—Feb. 3	54 —Mar. 27	57¼	54	55
Kansas City Southern	31⅞	16⅛	34 —Feb. 14	27½—Jan. 7	32	27½	31⅞
" preferred	56¾	31	70 —Feb. 14	52 —Jan. 3	67¾	63	65⅞
Kans. City Ft. S. & Mem. pref.	83½	64⅛	84½—Mar. 16	81¾—Jan. 25	84½	82⅞	84
Louisville & Nashville	148¾	101	145½—Mar. 13	134½—Jan. 25	145½	138¼	141⅛
Manhattan consol	169½	139¾	175 —Feb. 9	165 —Jan. 3	172¼	166¾	167
Metropolitan securities	96½	72¼	91 —Mar. 17	78 —Jan. 9	91	81	88
Metropolitan Street	130⅝	104¾	125¼—Mar. 17	114½—Jan. 9	125¼	121	122⅞
Mexican Central	23⅝	5	26 —Mar. 13	21½—Jan. 25	26	23¾	24½
Minneapolis & St. Louis	67¾	40	62½ - Mar. 21	56½—Jan. 12	62½	59	62½
" preferred	96½	80	91 —Feb. 24	86 —Jan. 19	....	....	....
Minn., S. P. & S. S. Marie	95	55	122 —Mar. 29	89½ - Jan. 11	122	111	118
" preferred	150	116	169¼—Mar. 29	148 —Jan. 13	169¼	159	165
Missouri, Kan. & Tex.	38⅜	14⅝	33¼—Jan. 18	30 —Jan. 24	33¼	30⅜	31⅛
" preferred	65¼	32¼	69 —Mar. 13	62 —Jan. 10	69	64	65¼
Missouri Pacific	111½	87	110⅞—Mar. 13	104½—Jan. 25	110⅞	105½	107¼
Natl. of Mexico, pref	45⅛	34¾	45 —Jan. 16	40½—Jan. 4	43	40½	41½
" 2d preferred	25⅛	15⅞	24½—Jan. 10	21 —Mar. 7	22¼	21	22
N. Y. Cent. & Hudson River.	145½	112⅞	167¾—Mar. 14	141¾—Jan. 3	167¾	154¾	161
N. Y., Chicago & St. Louis	47	25	51½—Mar. 13	42 —Jan. 20	51½	45	48½
" 2d preferred	78	60	83 —Mar. 14	75 —Jan. 18	83	78	80¼

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1904.		Highest and Lowest in 1905.		March, 1905.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western.....	47⅞	19⅝	64 —Mar. 30	40⅝—Jan. 5	64	53⅝	63
Norfolk & Western............	80¾	53½	88⅛—Mar. 11	77⅛—Jan. 25	88⅛	83	85½
" preferred............	95	88	94⅛—Feb. 3	91⅛—Feb. 24	94⅛	93	93
North American Co...........	107	80	105 —Feb. 10	98 —Jan. 20	104	100	102¾
Pacific Mail....................	55	24	49¼—Jan. 4	42 —Jan. 25	47¼	43⅛	45
Pennsylvania R. R............	140	111½	147¾—Mar. 18	135 —Jan. 25	147¾	140¼	143½
People's Gas & Coke of Chic.	112⅛	92¾	114 —Mar. 14	105¼—Jan. 25	114	107⅞	111⅞
Pullman Palace Car Co.......	244	209	254 —Feb. 28	237 —Jan. 3	250⅞	242	248½
Reading.........................	82⅝	38¾	99¾—Mar. 9	79 —Jan. 13	99¾	92⅛	94⅝
" 1st prefered..........	92	76	94 —Feb. 2	91 —Mar. 24	92½	91	92
" 2d preferred..........	85	55¼	92 —Feb. 3	84 —Jan. 5	91¾	89⅛	90
Rock Island....................	37¾	19⅛	37⅞—Jan. 18	32¼—Mar. 23	36⅛	32¼	34⅛
" preferred............	86⅝	57¾	85 —Jan. 4	78⅝—Mar. 28	81¾	78⅝	80¼
St. L. & San Fran. 2d pref....	72½	39¼	73½—Mar. 6	70 —Jan. 6	73½	70	70½
St. Louis & Southwestern....	29	9½	27½—Jan. 20	24½—Jan. 6	27¼	25	26
" preferred............	60¾	25⅜	65½—Mar. 21	57 —Jan. 12	65½	60⅝	64⅝
Southern Pacific Co..........	68¾	41½	72⅝—Feb. 27	63¾—Jan. 6	71⅝	65⅝	67¾
Southern Railway............	37⅛	18¼	36¾—Mar. 18	32¾—Jan. 25	36¾	33⅞	34½
" preferred............	97½	77½	100 —Mar. 22	96 —Jan. 13	100	96⅛	96½
Tennessee Coal & Iron Co....	77⅛	31⅝	98⅝—Mar. 30	68 —Jan. 25	98⅝	86⅞	97¾
Texas & Pacific................	38⅛	20	41 —Mar. 13	32⅞—Jan. 25	41	37	38¼
Toledo, St. Louis & Western..	38	21⅛	40⅞—Mar. 17	35¼—Jan. 18	40⅞	36	39
" preferred............	57¼	32	59⅝—Mar. 17	51¾—Jan. 25	59⅝	52¾	57¼
Union Pacific..................	117	71	137⅞—Feb. 25	118 —Jan. 6	136¾	127	130½
" preferred............	98	86½	101⅝—Feb. 21	97 —Jan. 9	100	99¼	99½
Wabash R. R..................	25	15	23⅝—Feb. 3	20½—Jan. 25	23½	22	23⅝
" preferred............	48⅛	32¾	48 —Feb. 23	41 —Jan. 25	47¾	44½	47¼
Western Union................	94½	85	95¼—Jan. 4	92 —Jan. 17	94¾	92⅝	93¼
Wheeling & Lake Erie........	22⅜	14⅛	19¾—Mar. 13	17⅝—Jan. 24	19¾	18	18⅜
" second preferred....	32	21⅛	28½—Mar. 13	25¼—Jan. 9	28½	26	26¼
Wisconsin Central............	25	16	25¼—Feb. 16	21½—Jan. 3	25	22½	23⅛
" preferred............	49⅜	37	54¼—Feb. 17	45 —Jan. 13	54¼	50¾	51¼
"Industrial"							
Amalgamated Copper........	82¾	43⅛	81⅝—Mar. 10	70 —Jan. 25	81⅝	76	80⅛
American Car & Foundry....	35⅛	14¾	39⅝—Mar. 28	31¼—Jan. 24	39⅝	34½	39⅛
" pref..................	94¾	67	100½—Mar. 21	91¼—Jan. 25	100½	93¾	99¾
American Co. Oil Co..........	37⅞	24¼	37 —Feb. 24	33⅛—Feb. 3	35⅞	33⅝	34⅝
American Ice	9¾	6	7¼—Feb. 1	5⅛—Feb. 28	5⅞	5⅛	5⅜
American Locomotive........	36⅜	16⅛	52¼—Mar. 27	33 —Jan. 25	52¼	41¾	50⅜
" preferred............	105	75½	118¼—Mar. 27	103¾—Jan. 5	118¼	111⅛	115
Am. Smelting & Refining Co.	82⅛	46	103⅛—Mar. 20	79¾—Jan. 9	103⅛	89¾	102¾
" preferred............	115	88¾	123¾—Mar. 9	111¼—Jan. 13	123¾	118	122
Am. Steel & Foundries........	15¼	3½	18⅜—Mar. 20	12¾—Jan. 6	18⅜	15¾	16⅝
" pref..................	57¼	26	66½—Mar. 21	52¾—Jan. 6	66½	60¼	65
American Sugar Ref. Co......	153	122¼	149¾—Mar. 2	138⅝—Jan. 25	149¾	139¼	142⅝
Anaconda Copper Mining....	120⅞	61	123 —Mar. 18	103¼—Jan. 25	123	108	117½
Continental Tobacco Co. pref.	131	101½	133¼—Feb. 1	131 —Jan. 21	....	....	....
Corn Products................	26¼	9¾	22¾—Feb. 7	12¾—Mar. 22	20⅝	12¾	14
" preferred............	82¼	65	79 —Jan. 10	62¼—Mar. 23	77⅝	62¼	65⅛
Distillers securities...........	40½	19½	47 —Mar. 31	34⅞—Jan. 25	47	37¼	46¾
General Electric Co...........	194½	151	192 —Mar. 16	181½—Jan. 24	192	184⅝	185
International Paper Co......	25⅝	10¼	25⅛—Mar. 11	20 —Feb. 1	25⅛	21	23⅛
" preferred............	79⅞	64⅛	82 —Mar. 11	76 —Feb. 6	82	76⅛	78
National Biscuit..............	59½	36	62¾—Mar. 17	54½—Jan. 25	62¾	58½	61
National Lead Co.............	26¼	14⅛	47⅛—Mar. 31	24½—Jan. 5	47⅛	33½	47⅛
Pressed Steel Car Co..........	44⅛	24¼	41¾—Mar. 27	35 —Jan. 25	41¾	36	40⅝
" preferred............	92	67	94½—Mar. 27	87 —Feb. 16	94½	87¾	93½
Republic Iron & Steel Co.....	18¼	6	23⅞—Feb. 23	15 —Jan. 23	23¾	18	23½
" preferred............	73½	37	87½—Feb. 23	67 —Jan. 23	83½	76	82½
Rubber Goods Mfg. Co........	29⅞	14¾	34½—Mar. 27	24¼—Mar. 7	34½	24¼	34⅛
" preferred............	98	74¾	105¾—Mar. 31	94 —Jan. 25	105¾	95½	104¼
U. S. Leather Co..............	20¾	6½	14⅝—Jan. 16	11⅜—Mar. 8	13⅜	11⅝	13¼
" preferred............	106½	75⅝	109½—Mar. 30	100¾—Jan. 31	109½	103½	107½
U. S. Rubber Co...............	34½	10½	44¼—Feb. 20	33¾—Jan. 8	48¾	40	43
" preferred............	100	41	115 —Feb. 18	98⅜—Jan. 6	115	109½	114¾
U. S. Steel.....................	33⅛	8⅜	37⅜—Mar. 13	28¼—Jan. 25	37⅜	33¾	35⅞
" pref.....................	95⅝	51¼	97¼—Mar. 13	91⅛—Jan. 7	97¼	93½	96

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		MARCH SALES.		
			Price.	*Date.*	*High.*	*Low.*	*Total.*
Ann Arbor 1st g 4's..............1995	7,000,000	Q J	100½	Mar. 30,'05	100½	98¼	34,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's.1995	148,155,000	A & O	104⅝	Mar. 31,'05	105	104	705,000
″ registered..................	....	A & O	102½	Mar. 8,'05	102½	102½	2,000
″ adjustment, g. 4's.....1995	25,616,000	NOV	96½	Mar. 31,'05	97½	96½	178,500
″ registered..................	....	NOV	94½	Feb. 9,'05	....	....	....
″ stamped...............1995	26,112,000	M & N	97	Mar. 31,'05	97¼	96¾	271,500
″ serial debenture 4's—							
″ series C...............1905	2,500,000	F & A	....	....	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ series D...............1906	2,500,000	F & A	99	Aug.15,'04	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ series E...............1907	2,500,000	F & A	99¾	Oct. 18,'04	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ series F...............1908	2,500,000	F & A	99½	Nov. 3,'04	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ series G...............1909	2,500,000	F & A	99¼	Dec. 19,'04	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ series H...............1910	2,500,000	F & A	99½	Jan. 10,'05	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ series I...............1911	2,500,000	F & A	98½	Nov. 23,'04	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ series J...............1912	2,500,000	F & A	....	....	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ series K...............1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ series L...............1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
″ registered..................	....	F & A	....	....	....	....	....
″ East.Okla.div.1stg.4's.1928	6,128,000	M & S	99¼	Jan. 23,'05	....	....	....
″ ″ registered......	....	M & S	....	....	....	....	....
″ Chic. & St. L. 1st 6's...1915	1,500,000	M & S	....	....	....	....	....
Atlan.Coast LineR.R.Co.1stg.4's.1952	42,139,000	M & S	101⅛	Mar. 31,'05	102¾	100¾	1,059,000
″ registered..................		M & S	92	Feb. 15,'04	....	....	....
Charleston& Savannah1st g.7's.1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g.6's.1934	4,056,000	A & O	125⅛	Nov. 30,'03	....	....	....
″ 1st g. 5's............1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's.1928	2,800,000	M & N	114¼	Oct. 18,'04	....	....	....
Brunswick & W'n 1st gtd.g.4's.1938	3,000,000	J & J	93	July 14,'04	....	....	....
Sil.SpsOc.& G.RR.&ldg.gtdg.4s.1918	1,067,000	J & J	97¾	Oct. 5,'04	....	....	....
Balt. & Ohio prior lien g. 3½s..1925	72,798,000	J & J	95½	Mar. 31,'05	96	95⅛	238,500
″ registered..............		J & J	96	Nov. 7,'04	....	....	....
″ g. 4s..................1948	70,963,000	A & O	104⅞	Mar. 31,'05	105	104	313,500
″ g. 4s. registered...........		A & O	103	Mar. 16,'05	103	103	1,000
″ ten year c. deb. g. 4's..1911	582,000	M & S	109	Mar. 17,'05	110⅛	109	31,000
Pitt Jun. & M. div. 1st g. 3½s. 1925	11,293,000	M & N	93⅛	Mar. 8,'05	93⅛	93⅛	15,000
″ registered...............		QFeb	....	....	....	....	....
Pitt L. E. & West Va. System refunding g 4s.........1941	27,000,000	M & N	100¾	Mar. 31,'05	100¾	100¼	365,000
″ Southw'n div. 1st g.3½s.1925	43,590,000	J & J	92⅝	Mar. 31,'05	93⅛	92½	219,000
″ registered..................		Q J	90¼	July 16,'01	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	105⅛	Mar. 11,'04	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s, 1930	1,009,000	M & S	108	Sept. 7,'04	....	....	....
Ptsbg Clev. & Toledo, 1st g.6's..1922	515,000	A & O	119½	Mar. 7,'04	....	....	....
Pittsburg & Western,1st g.4's...1917	688,000	J & J	98	Mar. 18,'05	98¼	98	3,000
″ J. P. Morgan & Co. cer.....	1,921,000	......	100	Sept.22,'04	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's...1937	4,427,000	M & S	119½	Feb. 8,'05	....	....	....
Alleghany & Wn. 1st g. gtd 4's.1998	2,000,000	A & O	....	....	....	....	....
Clearfield & Mah. 1st g. g. 5's....1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's..1921	1,300,000	F & A	126½	Jan. 30,'05	....	....	....
″ cons. 1st 6's............1922	3,920,000	J & D	126	Mar. 25,'05	126	126	1,000
Buff. & Susq. 1st refundg g. 4's..1951	4,305,000	J & J	99	Mar. 7,'05	99¼	98½	9,000
registered......		J & J	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due*	*Amount.*	*Int's Paid.*	LAST SALE. *Price.*	*Date.*	MARCH SALES. *High.*	*Low.*	*Total.*
Canada Southern 1st int. gtd 5's	1908	14,000,000	J & J	103⅝	Mar. 31,'05	104	103⅛	121,000
" 2d mortg. 5's	1913	6,000,000	M & S	106¼	Mar. 29,'05	106¼	105⅝	64,000
" registered			M & S	107	July 11,'04	....	....	....
Central Branch U. Pac. 1st g. 4's	1948	2,500,000	J & D	94	Jan. 4,'05	...	....	....
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	121	Mar. 7,'05	121	121	1,000
" registered $1,000 & $5,000			F & A	....		....	....	....
" con. g. 5's	1945	16,700,000	M & N	115⅛	Mar. 30,'05	115½	115	91,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	107	June 14,'04	....	....	....
" 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	92	Mar. 30,'05	93	91	70,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	74⅛	Mar. 31,'05	74¾	67⅛	855,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	59⅞	Mar. 31,'05	60	52⅛	243,000
" Chat. div. pur. my. g. 4's	1951	2,057,000	J & D	95	Feb. 2,'05	....	....	....
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
" Mid. Ga. & Atl. div. g 5s	1947	413,000	J & J	102	June 29,'99	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	107¼	Aug. 2,'04	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	112	Feb. 17,'05	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	126¼	Mar. 31,'05	136¼	135⅞	14,000
" registered			Q J	134	Mar. 29,'05	134	134	1,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	113⅛	Mar. 28,'05	113⅛	113¼	10,000
Lehigh & H. R. gen. gtd g. 5's	1920	1,062,000	J & J	....		....	....	....
Lehigh & W.-B. Coal con. 5's	1912	2,691,000	Q M	104⅛	Mar. 17,'05	104⅛	103⅞	2,000
" con. extended gtd. 4½'s	1910	12,175,000	Q M	102¼	Mar. 23,'05	102¼	102	12,000
N.Y. & Long Branch gen. g. 4's	1941	1,500,000	M & S	....		....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	108⅛	Mar. 1,'05	108⅛	108	3,000
" Mortgage gold 6's	1911	2,000,000	A & O	111	Feb. 21,'05	....	....	....
" 1st con. g. 5's	1939	25,858,000	M & N	119⅛	Mar. 31,'05	119½	118½	88,000
" registered			M & N	117⅛	Oct. 11,'04	....	....	....
" Gen. m. g. 4½'s	1992	38,573,000	M & S	106¼	Mar. 31,'05	106⅞	105¾	349,000
" registered			M & S	95	Dec. 22,'03	....	....	....
" Craig Val. 1st g. 5's	1940	650,000	J & J	113	Mar. 8,'05	113	113	5,000
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	103¼	Mar. 31,'05	103⅜	102½	118,000
" 2d con. g. 4's	1989	1,000,000	J & J	97	Mar. 2,'05	97	97	1,000
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	113¼	Feb. 17,'05	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	95½	Sept. 20,'04	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	31,988,000	A & O	86	Mar. 31,'05	86¾	86	41,000
" " registered			A & O	....		....	....	....
Chic. & Alton Ry 1st lien g. 3½'s	1950	22,000,000	J & J	82	Mar. 31,'05	82⅝	81⅞	254,000
" registered			J & J	83	Oct. 26,'02	....	....	....
Chicago, Burl. & Quincy:								
" Denver div. 4's	1922	4,783,000	F & A	101¾	Mar. 16,'05	101¾	101¾	1,000
" Illinois div. 3½s	1949	50,835,000	J & J	96¾	Mar. 30,'05	97¼	96⅝	85,000
" registered			J & J	96⅛	Feb. 24,'05	....	....	....
" Illinois div. 4s	1949	10,306,000	J & J	105¾	Aug. 8,'04	....	....	....
" registered		....	J & J	....		....	....	....
" (Iowa div.) sink. f'd 5's	1919	2,449,000	A & O	110¼	Jan. 5,'05	....	....	....
" 4's	1919	8,049,000	A & O	103⅝	Mar. 9,'05	103⅝	103⅝	4,000
" Nebraska extensi'n 4's	1927	25,344,000	M & N	108	Mar. 30,'05	108¼	108	26,000
" registered			M & N	106⅛	Feb. 15,'05	....	....	....
" Southwestern div. 4's	1921	2,500,000	M & S	100¾	Feb. 8,'04	....	....	....
" 4's joint bonds	1921	215,223,000	J & J	99⅝	Mar. 31,'05	100⅛	99⅝	1,225,000
" " registered			Q JAN	98¾	Mar. 7,'05	99⅞	98¾	13,000
" 5's, debentures	1913	9,000,000	M & N	107¾	Mar. 21,'05	107¾	107¼	11,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	111¾	Mar. 17,'05	112	111¾	11,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	106⅛	Mar. 9,'05	106⅛	106⅛	1,000
" small bonds			J & D	103⅛	July 8,'04	....	....	....
" 1st con. 6's, gold	1934	2,653,000	A & O	138	Mar. 31,'05	138	138	10,000
" gen. con. 1st 5's	1937	16,529,000	M & N	120¾	Mar. 4,'05	120¾	120¾	20,000
" registered			M & N	119⅛	Mar. 2,'05	119⅛	119½	3,000
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	120	Mar. 29,'05	120	120	1,000
Chicago, Indianapolis & Louisville.								
" refunding g. 6's	1947	4,700,000	J & J	135	Mar. 7,'05	136¾	135	4,000
" ref. g. 5's	1947	4,742,000	J & J	115⅛	Feb. 23,'05	....	....	....
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	109½	Feb. 14,'05	....	....	....
Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's	1905	991,000	J & J	187	Mar. 14,'05	187	187	11,000
" terminal g. 5's	1914	4,748,000	J & J	110⅛	Feb. 9,'05	....	....	....
" gen. g. 4's, series A	1989	23,676,000	J & J	113⅞	Mar. 24,'05	113⅞	112⅛	16,000
" registered		....	Q J	109½	June 18,'04	....	....	....

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BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
• gen. g. 3½'s, series B.	1989	2,500,000	J & J	98⅞	Jan. 9,'05			
• registered			J & J					
• Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	116⅛	Apr. 29,'03			
• Chic. & M. R. div. 5's,	1926	3,083,000	J & J	119½	Feb. 14,'05			
• Chic. & Pac. div. 6's,	1910	3,000,000	J & J	111⅝	Mar. 30,'05	111⅝	111⅝	3,000
• 1st Chic. & P. W. g. 5's.	1921	25,340,000	J & J	117⅛	Mar. 16,'05	117⅛	116⅝	9,000
• Dakota & Gt. S. g. 5's.	1916	2,856,000	J & J	112	Mar. 7,'05	112	112	1,000
• Far. & So. g. 6's assu...	1924	1,250,000	J & J	137⅛	July 18,'98			
• 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	115½	Mar. 17,'05	117	115½	5,000
• 1st 5's	1910	990,000	J & J	106	Aug. 3,'04			
• 1st 7's, Iowa & D. ex.	1908	891,000	J & J	183⅝	Mar. 29,'05	184	183⅝	18,000
• 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	113	Aug. 31,'03			
• Mineral Point div. 5's,	1910	2,840,000	J & J	107⅝	Oct. 18,'04			
• 1st So. Min. div. 6's....	1910	7,432,000	J & J	111	Mar. 27,'05	111	110¾	11,000
• 1st 6's, Southw'n div.,	1909	4,000,000	J & J	109½	Feb. 16,'05			
• Wis. & Min. div. g. 5's.	1921	4,755,000	J & J	115⅞	Mar. 6,'05	115⅞	115⅞	4,000
• Mil. & N. 1st M. L. 6's.	1910	2,155,000	J & D	110½	Dec. 14,'04			
• 1st con. 6's	1913	5,092,000	J & D	116½	Jan. 5,'05			
Chic. & Northwestern con. 7's...	1915	12,832,000	Q F	128¼	Mar. 14,'05	128¼	128	9,000
• extension 4's.....	1886-1926	18,632,000	F A 15	104½	Dec. 27,'04			
• registered			F A 15	102⅝	May 11,'04			
• gen. g. 3½'s	1987	20,538,000	M & N	101	Mar. 27,'05	101	99½	6,000
• registered			Q F	103	Nov. 19,'98			
• sinking fund 6's..	1879-1929	5,686,000	A & O	116	Dec. 21,'04			
• registered			A & O	117	Feb. 15,'05			
• sinking fund 5s'..	1879-1929	6,769,000	A & O	113	Feb. 16,'05			
• registered			A & O	107	Mar. 28,'04			
• deben. 5's	1909	5,900,000	M & N	106	Mar. 13,'05	106	105½	10,000
• registered			M & N	104	Mar. 3,'04			
• deben. 5's	1921	10,000,000	A & O	113¼	Feb. 27,'05			
• registered			A & O	108¾	Jan. 12,'04			
• sinking f'd deben. 5's.	1933	9,800,000	M & N	119⅝	Mar. 23,'05	119⅝	119⅝	1,000
• registered			M & N	115¼	Nov. 19,'04			
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84			
Milwaukee & Madison 1st 6's...	1905	1,600,000	M & S	104⅛	Mar. 16,'02			
Northern Illinois 1st 5's........	1910	1,500,000	M & S	105½	May 23,'04			
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	104⅛	Mar. 16,'05	104⅛	104⅛	1,000
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	110¼	Mar. 28,'05	110¼	110¼	3,000
Mil., L. Shore & We'n 1st g. 6's.	1921	5,000,000	M & N	130	Mar. 18,'05	130	130	1,000
• ext. & impt. s.f'd g. 5's	1929	4,148,000	F & A	119¼	Nov. 15,'04			
• Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02			
• Michigan div. 1st g. 6's.	1924	1,281,000	J & J	131½	Jan. 5,'05			
• con. deb. 5's	1907	436,000	F & A	103	Apr. 8,'04			
• incomes	1911	500,000	M & N	109	Sept. 9,'02			
Chic., Rock Is. & Pac. 6's coup...	1917	12,500,000	J & J	123½	Mar. 15,'05	123½	123½	3,000
• registered	1917		J & J	124	Nov. 16,'04			
• gen. g. 4's	1988	61,581,000	J & J	106⅝	Mar. 31,'05	106⅞	106¼	183,000
• registered			J & J	107	Jan. 16,'03			
• 1st & refunding 4s....	1934	16,224,000	A	97⅞	Mar. 31,'05	98¾	97⅛	1,213,000
• registered			A & O					
• coll. tr. ser. 4's ser. C.	1905	1,494,000	M & N	101¼	Sept. 29,'02			
• D	1906	1,494,000	M & N					
• E	1907	1,494,000	M & N					
• F	1908	1,494,000	M & N					
• G	1909	1,494,000	M & N					
• H	1910	1,494,000	M & N	97	July 14,'04			
• I	1911	1,494,000	M & N					
• J	1912	1,494,000	M & N					
• K	1913	1,494,000	M & N					
• L	1914	1,494,000	M & N					
• M	1915	1,494,000	M & N	96	May 16,'04			
• N	1916	1,494,000	M & N	93	May 24,'04			
• O	1917	1,494,000	M & N	94	Dec. 5,'04			
• P	1918	1,494,000	M & N	90	May 11,'04			
Chic. Rock Is. & Pac. R.R. 4's..	2002	69,557,000	M & N	83½	Mar. 31,'05	83½	81⅛	2,870,000
• registered			M & N	76½	Sept. 14,'04			
• coll. trust g. 5's	1913	17,307,000	M & S	94¾	Mar. 31,'05	95	93½	777,000
Burlington, Cedar R. & N. 1st 5's.	1906	6,500,000	J & D	102½	Mar. 29,'05	102½	102½	42,500
• con. 1st & col. tst 5's.	1934	11,000,000	A & O	121½	Mar. 22,'05	121½	121½	5,000
• registered			A & O	120½	Mar. 16,'03			
Ced. Rap Ia. Falls & Nor. 1st 5's.	1921	1,905,000	A & O	112½	Sept. 26,'04			
Minneap's & St. Louis 1st 7's. g.	1927	150,000	J & D	40	Aug. 21,'95			
Choc., Okla. & Glf. gen. g. 5s....	1919	5,500,000	J & J	110	Feb. 8,'05			
• con. g. 5's	1952	5,411,000	J & J	115	Mar. 8,'05	115¾	115	15,000
Keokuk & Des M. 1st mor. 5's..	1923	2,750,000	A & O	110¾	Mar. 20,'05	110¾	110¾	2,000
• small bond	1923	....	A & O	102½	Apr. 26,'04			

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	MARCH SALES. *Total.*
Chic., St.P., Minn.& Oma.con.6's	1930	14,723,000	J & D	137¼	Mar. 30,'05	138	136½	45,000
• con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,836,000	M & N	131	Jan. 7,'05	....	....	....
North Wisconsin 1st mort. 6's	1930	654,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	125½	Feb. 23,'05	....	....	....
Chic., Term. Trans. R. R. g. 4's	1947	15,185,000	J & J	97	Mar. 29,'05	97	97	24,000
• coupons off				95	Mar. 31,'05	95¼	94¼	323,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,318,000	Q M	115	Feb. 27,'05	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104⅛	Dec. 5,'03	....	....	....
• 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	117½	Mar. 30,'05	119	117½	5,000
Cin. Find. & Ft. W. 1st gtd g. 4's	1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind.& Wn. 1st&ref. gtd g. 4's	1953	4,672,000	J & J	98¾	Mar. 28,'05	98¾	98¾	2,000
Clev., Cin., Chic.& St.L. gen.g. 4's	1993	19,749,000	J & D	102¾	Mar. 30,'05	103⅛	102¼	83,000
• do Cairo div. 1st g. 4's	1939	5,000,000	J & J	100¾	Feb. 16,'05	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	100⅝	Mar. 21,'05	100⅝	100⅝	1,000
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	102¾	Mar. 31,'05	102⅞	102	8,000
• registered				100	Oct. 8,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	99¾	Feb. 8,'05	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,599,000	Q F	100	Nov. 11,'04	....	....	....
• registered				95	Nov. 15,'94	....	....	....
• con. 6's	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	112	Jan. 4,'05	....	....	....
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	123	Dec. 6,'04	....	....	....
• sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
• gen. consol 6's	1934	3,205,000	J & J	134	Feb. 11,'05	....	....	....
• registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	99⅝	Mar. 27,'05	100	99⅝	3,000
• income 4's	1990	4,000,000	A	83½	Mar. 31,'05	84	80	1,434,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	112½	Feb. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116½	Jan. 23,'05	....	....	....
• registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	75¼	Mar. 27,'05	77	75¼	264,000
Colorado & Southern 1st g. 4's	1929	19,103,000	F & A	94	Mar. 31,'05	94	92	603,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	108	Mar. 15,'05	108	108	3,000
Morris & Essex 1st m 7's	1914	5,000,000	M & N	128½	Feb. 20,'05	....	....	....
• 1st c. gtd 7's	1915	11,677,000	J & D	130½	Mar. 28,'05	130½	130¼	7,000
• registered			J & D	130	Jan. 17,'05	....	....	....
• 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	129¾	Mar. 28,'05	129⅝	129¼	7,000
• const. 5's	1923	5,000,000	F & A	114½	July 6,'04	....	....	....
• terml. imp. 4's	1923	5,000,000	M & N	103⅝	Mar. 22,'05	105	103⅝	11,000
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	107	Mar. 13,'05	107	107	2,000
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's	1917	5,000,000	M & S	133¾	Mar. 30,'04	....	....	....
• reg.	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	104¼	Dec. 1,'04	....	....	....
• 6's	1906	7,000,000	A & O	106½	Mar. 30,'05	106½	106½	1,000
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	142½	Mar. 10,'05	142½	142½	2,000
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	101¼	Mar. 29,'05	101¼	101	54,000
• con. g. 4½'s	1936	6,382,000	J & J	108	Feb. 24,'05	....	....	....
• impt. m. g. 5's	1928	8,318,500	J & D	109¾	Feb. 16,'05	....	....	....
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	99⅝	Mar. 31,'05	100	99¼	132,000
• mge.&col.tr.g.4's ser. A	1949	13,336,000	A & O	94	Mar. 22,'05	94	90	4,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Midl'd Ter. Ry. 1st g. s. f. 5's	1925	472,000	J & D	....	....	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	100	Sept. 13,'04	....	....	....
• g. 4s	1995	1,250,000	J & D	96⅞	Mar. 28,'05	97	96⅞	14,000
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	81¾	Mar. 1,'05	81¾	81¾	1,000
• Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	93¼	Mar. 10,'05	93½	93	10,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	117	Nov. 29,'04	....	....	....
• registered			A & O	101½	July 23,'89	....	....	....
• 2d 1 m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	114½	Mar. 1,'05	114½	114½	8,000
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	117½	Jan. 27,'05	....	....	....

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale Price.	Last Sale Date.	March Sales High.	March Sales Low.	March Sales Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	114	June 3,'03	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	113¾	July 11,'04	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	10:½	Jan. 3,'05	....	....	....
" 4th extended g. 5's	1920	2,926,000	A & O	117⅛	Feb. 9,'05	....	....	....
" 5th extended g. 4's	1928	709,500	J & D	103	Feb. 17,'05	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	135½	Mar. 9,'05	133⅛	133	3,000
" 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con.g-4s prior bds.	1996	35,000,000	J&J	101½	Mar. 31,'05	102	101¼	173,000
" registered			J&J	98½	Jan. 21,'04	....	....	....
" 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	93¼	Mar. 31,'05	93½	92½	705,000
" registered			J&J	88	Nov.15,'04	....	....	....
" Penn. col. trust g. 4's.	1951	33,000,000	F & A	94¾	Mar. 31,'05	95⅛	94¼	248,000
" 50 yrs. con. g.4's ser A.	1953	10,000,000	A & O	109	Mar. 30,'05	111	107¾	1,198,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	126½	Mar. 13,'05	126½	126½	1,000
Buffalo & Southwestern g. 6's.	1908	1,500,000	J&J	110	Mar. 3,'05	110	105	7,000
" small			J&J	....	....	....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	123½	Mar. 13,'05	123½	122½	45,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	105	Feb. 1,'05	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	136¼	Mar. 8,'05	136¼	136¼	1,000
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	118½	Nov.25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's.	1946	1,452,000	M&N	117	Jan. 17,'05	....	....	....
" small						....	....	....
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	109¾	Dec. 21,'04	....	....	....
N.Y., Sus.&W. 1st refdg. g. 5's.	1937	3,745,000	J & J	116	Mar. 7,'05	116	116	11,000
" 2d g. 4½'s	1937	447,000	F & A	104	Dec. 19,'04	....	....	....
" gen. g. 5's	1940	2,546,000	F & A	110	Mar. 9,'05	110	110	20,000
" term. 1st g. 5's	1943	2,000,000	M & N	117½	Jan. 19,'05	....	....	....
" registered......$5,000 each			M & N	....	....	....	....	....
Wilkesb. & East. 1st gtd g. 5's.	1942	3,000,000	J & D	109⅝	Jan. 5,'05	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	114	Feb. 14,'05	....	....	....
Evans. & Terre Haute 1st con. 6's.	1921	3,000,000	J & J	123½	Mar. 31,'05	123½	123½	15,000
" 1st General g 5's	1942	2,672,000	A & O	106	Oct. 10,'04	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	116	Mar. 30,'02	116	116	2,000
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	104	Oct. 31,'04	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar.11,'98	....	....	....
Ft. Worth & D. C. ctfs.dep.1st 6's.	1921	8,176,000	......	113	Mar. 31,'05	113	109⅝	252,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	89	Mar. 29,'05	89	89	1,000
Galveston H. & H. of 1882 1st 5s.	1913	2,000,000	A & O	105½	Mar. 18,'05	105½	105½	2,000
Gulf & Ship Isl. 1st refg.&ter.5's.	1952	4,574,000	J & J	105	Mar. 28,'05	105	105	5,000
" registered			J & J	....	....	....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	13,139,000	J & J	110⅝	Mar. 24,'05	111½	110⅝	156,000
" registered			J & J	105½	July14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1848	1,401,000	A & O	100¼	Apr. 12,'04	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	113	Nov. 7,'04	....	....	....
" registered			J&J	113½	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	102	Aug.19,'04	....	....	....
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered			A & O	....	....	....	....	....
" 1st g 3s sterl. £500,000.	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
" registered			M & S	....	....	....	....	....
" total outstg....$18,950,000								
" collat. trust gold 4's	1952	15,000,000	A & O	107⅝	Mar. 25,'05	107½	106¾	54,000
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col.t.g.4s L.N.O.&Tex.	1953	24,679,000	M & N	105½	Mar. 28,'05	105½	105	46,500
" registered			M & N	101	Apr. 7,'04	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....	....	....	....	....
" Louisville div. g. 3½'s.	1953	14,320,000	J & J	94⅞	Mar. 29,'05	96½	94⅞	5,000
" registered			J & J	88½	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" Omaha div. 1st g. 3's	1951	5,000,000	F & A	86	Jan. 12,'05	....	....	....
" St. Louis div. g. 3's	1951	4,989,000	J & J	85	Nov.29,'04	....	....	....
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,0^0	J & J	96	Mar. 15,'05	96	96	5,000
" registered			J & J	101½	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's.	1951	5,425,000	F & A	105¾	Nov.11,'04	....	....	....
" registered			F & A	101½	Jan.31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	124½	Apr. 5,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High.	March Sales. Low.	March Sales. Total.
Carbond'e & Shawt'n 1st g. 4's, 1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's....1951	16,555,000	J D 15	125	Feb. 2,'05	....	....	....
" gold 5's, registered........		J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s................1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
" registered................		J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's, 1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
" registered................		J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's, 1931	538,000	M & S	101⅛	Mar. 16,'05	101⅛	101⅛	2,000
Ind., Dec. & West. 1st g. 5's......1935	1,824,000	J & J	106	Mar. 28,'04	....	....	....
" 1st gtd. g. 5's............1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g.4's..1950	4,850,000	J & J	100	Mar. 24,'05	100	99⅝	4,000
Internat. & Gt. N'n 1st. 6's, gold.1919	11,291,000	M & N	122⅛	Mar. 29,'05	122⅛	122¼	4,000
" 2d g. 5's................1909	10,391,000	M & S	101	Mar. 31,'05	101¼	100	67,000
" 3d g. 4's................1921	2,960,500	M & S	78	Mar. 31,'05	78	75	5,000
Iowa Central 1st gold 5's.........1938	7,650,000	J & D	115⅝	Mar. 13,'05	115⅝	115⅝	1,000
" refunding g. 4's ...1951	2,000,000	M & S	85½	Mar. 7,'05	85½	85½	3,000
Kansas City Southern 1st g. 3's..1950	30,000,000	A & O	72⅞	Mar. 31,'05	74⅝	72⅝	3,436,000
" registered................		A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's...1937	7,250,000	J & J	118½	Mar. 14,'05	118½	118½	3,000
" 2d mtge. g. 5's..........1941	3,625,000	J & J	114½	Mar. 10,'05	114½	114½	5,000
Northern Ohio 1st gtd g 5's... 1945	2,500,000	A & O	120	Feb. 20,'05	....	....	....
Lehigh Val. (Pa.) coll. g. 5's.....1997	8,000,000	M & N	109⅝	Mar. 21,'05	109⅝	109⅝	9,000
" registered................		M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s.1940	15,000,000	J&J	111½	Mar. 15,'05	111½	111½	2,000
" registered................	....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's.1941	10,000,000	A & O	119⅝	Jan. 31,'05	....	....	....
" registered................		A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's.1933	10,114,000	J & J	108	Dec. 15,'04	....	....	....
" registered................1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....1945	2,000,000	M&S	99	Jan. 3,'05	....	....	....
" registered................		M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's 1914	750,000	A & O	106½	Nov. 3,'04	....	....	....
" " g. gtd 5's.......1914	1,250,000	A & O	100⅝	June16,'04	....	....	....
Long Island 1st cons. 5's..........1931	3,610,600	Q J	117½	Feb. 23,'05	....	....	....
" 1st con. g. 4's...........1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's.........1938	3,000,000	J & D	101¾	Mar. 1,'05	101¾	101¾	5,000
" Ferry 1st g. 4½'s......1922	1,494,000	M & S	105	Jan. 18,'05	....	....	....
" g. 4's...................1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
" unified g. 4's...........1949	6,860,000	M & S	101¾	Mar. 28,'05	101¾	100	57,000
" deb. g. 5's........1934	1,135,000	J & D	110	June22,'04	....	....	....
" gtd. refunding g. 4's..1949	12,200,000	M & S	101¾	Mar. 31,'05	103½	101½	266,000
" " registered........		M & S	....	....	....	....	....
Brooklyn & Montauk 1st 6's....1911	250,000	M & S	....	....	....	....	....
" 1st 5's..................1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's, ..1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's, 1927	883,000	M & S	107½	Sept.27,'04	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's, 1932	1,425,000	QJAN	109	Nov.23,'04	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's.1927	2,724,000	M & S	105¾	Feb. 8,'05	....	....	....
Louis. & Nash. gen. g. 6's.......1930	8,239,000	J & D	121	Mar. 24,'05	121	121	15,000
" gold 5's..................1937	1,764,000	M & N	119⅝	Feb. 9,'05	....	....	....
" Unified gold 4's.........1940	31,722,000	J & J	103	Mar. 31,'05	104	103	191,000
" registered 1940		J & J	101⅞	June18,'94	....	....	....
" collateral trust g. 5's, 1931	5,129,000	M & N	114⅞	Jan. 26,'05	....	....	....
" 5-20yr.col.tr.deed g.4's.1923	23,000,000	A & O	100	Mar. 24,'05	100½	99⅞	251,000
" E., Hend. & N. 1st 6's..1919	1,675,000	J & D	114½	Jan. 24,'05	..	...	....
" L. Cin. & Lex. g. 4½'s...1931	3,258,000	M & N	109	Mar. 6,'05	109	109	2,000
" N.O. & Mobile 1st g. 6's..1930	5,000,000	J & J	130¾	Feb. 14,'05	....	....	....
" 2d g. 6's...............1930	1,000,000	J & J	126½	Feb. 17,'05	....	....	....
" Pensacola div. g. 6's...1920	580,000	M & S	116⅝	Mar. 22,'02	....	....	....
" St. Louis div. 1st g. 6's.1921	3,500,000	M & S	121¼	Mar. 6,'05	121¼	121¼	1,000
" 2d g. 3's...............1980	3,000,000	M & S	115¼	Mar. 7,'05	115¼	115¼	1,000
" At.Kx.&N.R. 1st g.5's.1946	1,000,000	J & D	112½	Nov.16,'04	....	....	....
" H. B'ge 1st sk'fd. g6's.1931	1,453,000	M & S	....	....	....	....	....
" Ken. Cent. g. 4's......1987	6,742,000	J & J	100½	Mar. 13,'05	100½	100½	2,000
" L.& N.& Mob.& Montg 1st. g. 4½s...........1945	4,000,000	M & S	110	Feb. 3,'05	....	...	....
" South. Mon. joint 4's.1952	11,827,000	J & J	96⅞	Mar. 30,'05	96⅞	96⅞	144,000
" registered..............		Q Jan	95	Feb. 6,'05	....	....	....
" N. Fla. & S. 1st g. g.5's, 1937	2,096,000	F & A	115	Mar. 3,'05	115	115	8,000
" Pen. & At. 1st g. g, 6's,1921	2,394,000	F & A	112½	Mar. 23,'05	112½	112½	2,000
" S.&N.A.con.gtd.g.5's.1936	3,678,000	F & A	116½	Jan. 18,'05	....	...	....
" So. & N.Ala. si'fd.g.6s.1910	1,942,000	A & O	110	Mar.23,'02	....	....	....
Lo.& Jefferson Bdg.Co.gtd.g.4's.1945	3,000,000	M & S	98⅝	Oct. 26,'04	....	....	....
Manhattan Railway Con. 4's.....1990	28,065,000	A & O	106½	Mar. 30,'05	107	106½	101,000
" registered..................		A & O	105	Dec. 8,'04	....	....	....

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	MARCH SALES. *Total.*
Metropolitan Elevated 1st 6's....1908	10,818,000	J & J	107¼	Mar. 15,'05	107¼	107	42,000
Manitoba Swn. Coloniza'n g. 5's, 1934	2,544,000	J & D	....	....	....	....	....
Mexican Central, con. mtge. 4's.1911	65,690,000	J & J	77½	Mar. 30,'05	78	75	310,000
" 1st con. inc. 3's..........1939	20,511,000	JULY	24⅝	Mar. 31,'05	26½	24	1,422,000
" 2d 3's....................1939	11,724,000	JULY	16	Mar. 30,'05	17⅛	16	166,000
" equip. & collat. g. 5's....1917	600,000	A & O	....	....	....	....	....
" 2d series g. 5's..........1919	665,000	A & O	....	....	....	....	....
" col.trust g.4½'s1st se of1907	10,000,000	F & A	95	Mar. 25,'05	95¾	95	36,000
Mexican Internat'l 1st con g. 4's,1977	3,362,000	M & S	90⅝	July29,'01	....	....	....
" stamped gtd.................	3,621,000	......	....	....	....	....	....
Mexican Northern 1st g. 6's.....1910	999,000	J & D	....	....	....	....	....
" registered..................		J & D	105	May 2,19'	....	....	....
Minneapolis & St. Louis 1st g. 7's.1927	950,000	J & D	142	Dec. 7,'03	....	....	....
" Iowa ext. 1st g. 7's......1909	1,015,000	J & D	111⅝	Jan. 31,'05	....	....	....
" Pacific ext. 1st g. 6's....1921	1,382,000	J & A	122	Feb. 15,'05	....	....	....
" Southw. ext. 1st g. 7's...1910	636,000	J & D	113¼	Mar. 10,'05	113¼	113¼	2,000
" 1st con. g. 5's...........1934	5,000,000	M & N	117	Mar. 29,'05	117	117	1,000
" 1st & refunding g. 4's...1949	8,850,000	M & S	96	Mar. 7,'05	96	96	5,000
DesMoines&Ft.Dge1stgtd g.4's.1935	3,072,000	J & J	98	Mar. 27,'05	98	98	10,000
Minn., S. P. & S. S. M., 1st c. g. 4's.1938	32,055,000	J & J	101	Mar. 29,'05	101⅛	101	152,000
" stamped pay. of int. gtd.			....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's.1926	8,209,000	J & J	103	Nov.11,'01	....	....	....
" stamped pay. of int. gtd.			89⅝	June18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's.1990	40,000,000	J & D	101½	Mar. 30,'05	101½	100½	201,500
" 2d mtge. g. 4's.........1990	20,000,000	F & A	85¼	Mar. 30,'05	86	85	243,500
" 1st ext gold 5's.. 1944	3,254,000	M & N	108	Mar. 27,'05	108	106¼	172,000
St. Louis div. 1st refundg 4s...2001	1,892,000	A & O	90¾	Mar. 10,'05	90¾	90¾	5,000
Dallas & Waco 1st gtd. g. 5's....1940	1,340,000	M & N	105¼	Dec. 22,'04	....	....	....
Kan. City & Pac. 1st g. 4s......1990	2,500,000	F & A	95	Mar. 22,'05	95	95	5,000
Mo., Kan. & East. 1st gtd. g. 5s.1942	4,000,000	A & O	111½	Jan. 30,'05	....	....	....
Mo.,Kan.& Ok. 40 yr. 1st gtd.5s.1942	5,468,000	M & N	108	Mar. 30,'05	108¾	108	13,000
Mo.,K.&Tex.of Tex.1stgtd.g.5s1942	4,505,000	M & S	108½	Mar. 29,'05	107⅞	106	264,000
Sher., Shreve.& So. 1st gtd.g.5s.1943	1,689,000	J & D	107½	Feb. 24,'05	....	....	....
Tex. & Ok. 40 yr. 1st gtd. g. 5s ..1943	2,347,000	M & S	106⅞	Mar. 30,'05	106⅞	106½	4,000
Missouri, Pacific 1st con. g. 6's...1920	14,904,000	M & N	125¼	Mar. 28,'05	125¼	125	66,000
" 3d mortgage 7's.......1906	3,828,000	M & N	106⅝	Feb. 7,'05	....	....	....
" trusts gold 5's stamp'd1917	14,376,000	M & S	107	Mar. 29,'05	107½	106¾	76,000
" registered..............		M & S	....	....	....	....	....
" 1st collateral gold 5's.1920	9,636,000	F & A	108¼	Mar. 30,'05	108¼	107½	42,000
" registered..............		F & A	....	....	....	....	....
Cent. Branch Ry.1st gtg. g. 4's.1919	3,459,000	F & A	95¼	Mar. 18,'05	97½	95¼	18,000
Leroy & Caney Val. A. L. 1st 5's.1926	520,000	J & J	110	Mar. 13,'05	110	104½	12,000
Pacific R. of Mo. 1st m. ex. 4's.1938	7,000,000	M & S	104	Mar. 22,'05	104¼	104	20,000
" 2d extended g. 5's.....1938	2,573,000	F & A	117	Mar. 29,'05	117¼	116½	13,000
St. L. & I. g. con. R.R.&l.gr. 5's1931	36,709,000	A & O	118½	Mar. 30,'05	119	118	149,000
" stamped gtd gold 5's..1931	6,532,000	A & O	109¾	Oct. 21,'03	....	....	....
" unify'g & rfd'g g. 4's.1929	30,347,000	J & J	96	Mar. 31,'05	96⅛	95½	207,000
" registered..............		J & J	87¼	Apr. 23,'04	....	....	....
" Riv&Gulf divs 1stg 4s.1933	18,734,000	M & N	96	Mar. 31,'05	97½	96	223,000
Verdigris V'y Ind. & W. 1st 5's.1926	750,000	M & S	....	....	....	....	....
Mob. & Birm., prior lien, g. 5's...1945	374,000	J & J	111½	Mar. 8,04'	....	....	....
" small..........	226,000	J & J	90	Feb. 4,'03	....	....	....
" mtg. g. 4's..............1945	700,000	J & J	95	Nov. 1,'04	....	....	....
" small......................	500,000	......	94	Aug. 6,'04	....	....	....
Mob. Jackson&Kan.City 1stg.5's.1946	1,882,000	J & D	98	Mar. 31,'05	98⅝	97	37,000
Mobile & Ohio new mort. g. 6's..1927	7,000,000	J & J	128⅝	Mar. 20,'05	129	128⅝	10,000
" 1st extension 6's.......1927	974,000	J & D	122	Mar. 4,'05	122	122	2,000
" gen. g. 4's.............1938	9,472,000	Q J	97¼	Mar. 14,'05	97¼	97¼	5,000
" Montg'rydiv.1st g.5's.1947	4,000,000	F & A	114	Feb. 20,'05	....	....	....
St. Louis & Cairo gtd g. 4's.....1931	4,000,000	M & S	101	Nov. 9,'04	....	....	....
" collateral g. 4's.......1930	2,494,000	Q F	95	Feb. 20,'05	....	....	....
Nashville, Chat. & St. L. 1st 7's...1913	6,300,000	J & J	121½	Feb. 14,'05	....	....	....
" 1st cons. g. 5's..........1928	7,566,000	A & O	116⅝	Mar. 14,'05	117	116⅝	54,000
" 1st g.6's Jasper Branch.1923	371,000	J & J	119	Jan. 17,'05	....	....	....
" 1st 6's McM. M.W. & Al.1917	750,000	J & J	117¼	Mar. 6,'05	117¼	117¼	3,000
" 1st 6's T. & Pb..........1917	300,000	J & J	113	July 6,'99	....	....	....
Nat.R.R.of Mex.priorlieng.4½'s.1926	20,000,000	J & J	101	Jan. 30,'05	....	....	....
" 1st con. g. 4's...........1951	22,000,000	A & O	83¼	Mar. 30,'05	83¼	82½	322,000
N. O. & N. East. prior lien g. 6's..1915	1,320,000	A & O	108¼	Aug.13,'94	....	....	....
N.Y. Cent. & Hud. R. g. mtg.3½s.1997	75,946,000	J & J	100½	Mar. 30,'05	100½	99¾	187,000
" " registered......		J & J	100½	Mar. 11,'05	100¾	100½	28,000
" debenture g. 4's..1890-1905	5,094,000	J & D	100¾	Feb. 8,'05	....	....	....
" registered..............		J & D	99	Dec. 12,'02	....	....	....
" deb. cert. ext. g. 4's...1905	3,581,000	M & N	101¼	Mar. 18,'05	101¼	101¼	5,000
" registered..............		M & N	99½	Nov. 8,'02	....	....	....
Lake Shore col. g. 3½s..........1998	90,578,000	F & A	91½	Mar. 31,'05	91⅝	90¾	225,000
" registered..............		F & A	90	Mar. 31,'05	90¼	89	30,000

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Michigan Central col. g. 3½s	1998	19,336,000	F & A	90	Mar. 28,'05	90⅛	89¼	154,000
" registered			F & A	89	Mar. 16,'05	89	89	14,000
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	107⅛	Feb. 2,'05			
" registered			J & J	102	Mar. 31,'03			
" 2d gtd. g. 5's	1936	500,000	J & J					
" registered			J & J					
" ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O					
" registered			A & O					
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D					
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	87½	June 23,'04			
" small bonds series B		33,000	J & J					
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D					
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	107½	July 6,19'			
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02			
" reg. certificates			F & A					
N. Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	106	Mar. 2,'05	106	106	2,000
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O					
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	109½	Mar. 31,'05	109½	108⅛	102,000
" registered			J & J	108¼	Mar. 30,'05	109	108⅛	11,000
Lake Shore g 3½s	1997	50,000,000		101	Mar. 17,'05	101¼	101	6,000
" registered			J & D	100⅛	Feb. 21,'05			
" deb. g. 4's	1928	40,000,000	M & S	100¾	Mar. 31,'05	101⅜	100¾	553,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	103½	Mar. 23,'05	103½	103½	1,000
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J					
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	121	Nov. 21,'03			
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03			
" 2d gtd 6's	1934	900,000	J & J					
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J					
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04			
" 5's	1931	3,576,000	M & S	124	Feb. 3,'05			
" 5's reg	1931		Q M	120	Mar. 9,'05	120	120	1,000
" 4's	1940	2,600,000	J & J	106¼	June 9,'04			
" 4's reg			J & J	106½	Nov. 26,19'			
" g. 3½'s sec. by 1st mge. on J. L. & S		1,900,000	M & S					
" 1st g. 3½'s	1952	13,000,000	M & N	96¼	May 26,'04			
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D					
N. Y. & Harlem 1st mort. 7's c	1900	12,000,000	M & N	105⅛	Mar. 2,'05	105⅛	105⅛	1,000
" 7's registered	1900		M & N	102¾	Apr. 6,19'			
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	119½	Mar. 31,'05	119½	118	9,000
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	119⅝	Feb. 24,'05			
coup. g. bond currency			A & O					
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02			
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N					
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	107½	Feb. 4,'03			
N. Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	106	Mar. 30,'05	106	105⅝	14,000
" registered			A & O	101	Mar. 28,'03			
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1937	2,838,000	M & N	131¾	Apr. 29,'03			
New Haven and Derby con. 5's	1918	575 000	M & N	115½	Oct. 15,'94			
N. Y., Ont. & W'n. ref'ding 1st g. 4's	1992	20,000,000	M & S	103½	Mar. 31,'05	104½	103½	129,000
" registered......$5,000 only.			M & S	103½	Jan. 17,'05			
Norfolk & Southern 1st g. 5's	1941	1,590,000	M & N	111¼	Feb. 6,'05			
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	133½	Jan. 23,'05			
" Imp'ment and ext. 6's	1934	5,000,000	F & A	132	Dec. 1,'04			
" New River 1st 6's	1932	2,000,000	A & O	132½	Dec. 28,'04			
Norfolk & West. Ry. 1st con. g. 4s	1996	39,710,500	A & O	103	Mar. 31,'05	103¾	103	173,000
" registered			A & O	99¾	June 18,'03			
" small bonds			A & O					
" div. 1st lien & gen g. 4s	1944	8,000,000	J & J	99¼	Mar. 13,'05	99¼	99¼	6,000
" " registered			J & J					
" Pocahon C. & C. Co. jt. 4's	1941	20,000,000	J & D	97	Mar. 31,'05	97½	96	280,000
" C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	109½	Feb. 20,'05			
" Sci'o Val & N. E. 1st g. 4's	1989	5,000,000	J & N	102½	Mar. 29,'05	102⅝	102⅝	28,000
N. P. Ry prior ln ry. & ld. gt. g. 4's	1997	101,392,500	Q J	106½	Mar. 31,'05	106¾	105½	353,500
" registered			Q J	104½	Feb. 24,'05			
" gen. lien g. 3's	2047	56,000,000	Q F	76¼	Mar. 31,'05	77¼	76¼	260,500
" registered			Q F	75	Feb. 21,'05			
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	100	Mar. 24,'05	100	100	2 000
" registered		7,897,000	J & D					
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	126	Mar. 21,'05	126	126	5,000
" registered certificates			Q F	132	July 28,'98			
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	112¼	July 21,'03			
" 2d 5's	1917	2,000,000	A & O	109	Feb. 20,'05			
" 1st con. g. 4's	1968	1,000,000	J & D	101	Feb. 24,'05			
Washington Cen. Ry 1st g. 4's	1948	1,538,000	QMCH	94	Aug. 16,'04			
Nor. Pacific Term. Co. 1st g. 6's	1933	3,587,000	J & J	116	Jan. 30,'05			

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Ohio River Railroad 1st 5's	1936	2,000,000	J & D	118¼	Feb. 2,'05			
" gen. mortg. g 6's	1937	2,428,000	A & O	113¼	Feb. 16,'05			
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	114½	Mar. 28,'05	115	114½	12,000
Panama 1st sink fund g. 4½'s	1917	2,371,000	A & O	104	Jan. 7,'05			
" s. f. subsidy g 6's	1910	715,000	M & N	102	Apr. 14,'02			
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	111	Mar. 29,'05	111⅛	110⅞	41,000
" reg	1921		J & J	106	Jan. 13,'05			
" gtd. 3½ col. tr. reg. cts.	1937	4,843,000	M & S	98	July 16,'04			
" gtd. 3½ col. tr. cts. ser B	1941	9,687,000	F & A	94	Mar. 6,'05	94	94	45,000
" Trust Co. ctfs. g. 3½'s	1916	15,998,000	M & N	96	Feb. 10,'05			
" gtd. g. 3½'s tr. cts. s. C.	1942	5,000,000	J & D					
" gtd. g. 3½'s tr. cts. s. D.	1944	10,000,000	J & D					
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	118	Oct. 27,'04			
" registered			A & O	110	May 3,'92			
Cin., Leb. & N. 1st con. gtd. g. 4's	1942	900,000	J & J					
Clev. & P. gen. gtd. g. 4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug. 21,'03			
" Series B	1942	1,561,000	A & O					
" " int. reduc. 3½ p.c.		439,000						
" Series C 3½s	1948	3,000,000	M & N					
" Series D 3½s	1950	1,990,000	F & A	96	Jan. 8,'04			
E. & Pitts. gen. gtd. g. 3½s Ser. B.	1940	2,240,000	J & J	102	Nov. 7,19'			
" " " C.	1940	2,218,000	J & J	98¾	Apr. 4,'04			
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J					
Pitts., C. C. & St. L. con. g 4½'s.								
" Series A	1940	10,000,000	A & O	114½	Jan. 24,'05			
" Series B gtd	1942	8,786,000	A & O	113¾	Jan. 10,'05			
" Series C gtd	1942	1,379,000	M & N	110	Aug. 17,'01			
" Series D gtd. 4's	1945	4,983,000	M & N	104½	Oct. 6,'04			
" Series E gtd. g. 3½s	1949	10,257,000	F & A	93⅞	Mar. 30,'05	93⅞	93⅞	15,000
" Series F c. gtd. g. 4's	1953	9,000,000	J & D					
Pitts., Ft. Wayne & C. 1st 7's	1912	2,219,000	J & J	127⅝	Oct. 21,'02			
" 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03			
" 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04			
Tol Walhonding Vy. & O. 1st gtd. bds 4½'s series A	1931	1,500,000	J & J					
" 4½'s series B	1933	978,000	J & J					
" 4's series C	1942	1,453,000	M & S					
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Feb. 28,'05			
con. sterling gold 6 per cent	1905	22,762,000	J & J					
con. currency, 6's registered	1905	4,718,000	Q M 15					
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept. 21,'04			
" registered			Q M					
con. gold 4 per cent	1943	2,797,000	M & N	106	Aug. 28,'03			
" ten year conv. 3½'s	1912	20,692,500	M & N	105⅝	Mar. 31,'05	107	104½	716,000
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	110	Aug. 28,19'			
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J					
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05			
Del. R. RR. & Bge Co 1st gtd g. 4's	1936	1,300,000	F & A					
G. R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	110	Oct. 6,'04			
Phila. Balto. & Wash. 1st g. 4's	1943	10,570,000	M & N	108¼	Mar. 15,'05	108¼	108¼	5,000
" registered			M & N					
Pitts. Va. & Charl. Ry 1st gtd g. 4's	1943	6,000,000	M & N					
Sunbury & Lewistown 1st g. 4's	1936	500,000	J & J					
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept. 28,04'			
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123⅛	Jan. 18,'05			
" 2d m 4½'s	1921	1,499,000	M & N	101	July 8,'04			
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02			
Flint & Pere Marquette g. 6's	1920	3,999,000	A & O	123	Feb. 8,'05			
" 1st con. gold 5's	1939	2,850,000	M & N	113½	Mar. 17,'05	113½	113½	3,000
" Port Huron d 1st g 5's	1939	3,325,000	A & O	116½	Mar. 31,'05	116½	114¾	16,000
Sag'w Tusc. & Hur. 1st gtd. g. 4's	1931	1,000,000	F & A					
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93			
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01			
Pittsburg & L. E. 2d g. 5's ser. A.	1928	2,000,000	A & O	112½	Dec. 13,'93			
Pitts., Shena'go & L. E. 1st g. 5's.	1940	3,000,000	A & O	120	Mar. 8,'05	120	120	2,000
" 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'			
Pittsburg. Y & Ash. 1st cons. 5's.	1927	1,562,000	M & N	117½	Oct. 24,'04			
Reading Co. gen. g. 4's	1997	66,232,000	J & J	102¼	Mar. 30,'04	102⅛	101½	329,000
" registered			J & J	100	Jan. 27,'05			
" Jersey Cent. col. g. 4's	1957	23,000,000		101	Mar. 31,'05	101	100½	109,000
" " registered								
Atlantic City 1st con. gtd. g. 4's	1951	1,063,000	M & N					
Philadelphia & Reading con. 6's	1911	7,304,000	J & D	113¼	Feb. 25,'05			
" registered		663,000	J & D					
" 7's	1911	7,310,000	J & D	119¼	Apr. 2,'04			
" " registered		3,339,000	J & D	118	Jan. 7,'05			

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Rio Grande Junc'n 1st gtd. g. 5's,	1939	2,000,000	J & D	109	Mar. 11,'05	109	109	5,000
Rio Grande Southern 1st g. 4's..	1940	2,233,000	J & J	75¼	Mar. 24,'05	75¼	75¼	5,000
• guaranteed		2,277,000	......	89	Jan. 4,'05			
Rutland RR 1st con. g. 4½ s ...	1941	2,440,000	J & J	103¾	May 10,'04			
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s	1948	4,400,000	J & J					
Rutland Canadian 1st gtd.g.4's.	1949	1,350,000	J & J	101¼	Nov.18,'01			
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	95	Mar. 31,'05	95	95	24,000
St. L. & Adirondack Ry. 1st g.5's.	1996	800,000	J & J					
• 2d g. 6's	1996	400,000	A & O					
St. Louis & San F. 2d 6's, Class B,	1906	998,000	M & N	104⅝	Feb. 20,'05			
• 2d g. 6's, Class C	1906	829,000	M & N	104⅛	Feb. 21,'05			
• gen. g. 6's	1931	3,681,000	J & J	129½	Mar. 21,'05	129½	129½	1,000
• gen. g. 5's	1931	5,803,000	J & J	116	Mar. 31,'05	116	115	14,000
St. L & San F. R. R. con. g. 4's.	1996	1,558,000	J & D	99¾	Mar. 21,'05	99¾	99¾	1,000
• S. W. div. g. 5's	1947	829,000	A & O	98⅝	Nov.23,'04			
• refunding g. 4's	1951	58,997,000	J & J	91	Mar. 31,'05	92¼	90¼	1,124,000
• • registered			J & J					
• 5 year 4½'s gold notes.	1908	5,728,000	J & D	96	Dec. 8,'04			
Kan. Cy Ft.S.&MemRRcong6's	1928	18,736,000	M & N	126¼	Jan. 23,'05			
Kan.Cy Ft.S &MRyrefggtd g4s.	1936	16,853,000	A & O	90¾	Mar. 31,'05	92	90½	659,000
• registered			A & O	78½	Jan. 14,'04			
Kan.Cy&M.R.&B.Co.1stgtdg5s.	1929	3,000,000	A & O					
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	99½	Mar. 30,'05	99¾	99	160,000
• 2d g. 4's inc. Bd. ctfs	1989	3,272,500	J & J	86	Mar. 30,'05	86½	85¾	92,000
• con. g. 4's	1932	15,178,000	J & D	82⅞	Mar. 31,'05	83⅜	82¼	1,096,000
Gray's Point, Term. 1stgtd.g.5's.	1947	339,000	J & D					
St. Paul, Minn. & Manito'a 2d 6's..	1909	6,932,000	A & O	110½	Jan. 20,'05			
• 1st con. 6's	1933	13,344,000	J & J	138	Mar. 20,'05	138	137	5,000
• 1st con. 6's, registered			J & J	140	May 14,'02			
• 1st c. 6's. red'd to g. 4½'s		19,322,000	J & J	111⅝	Mar. 31,'05	111⅝	111	10,000
• 1st cons. 6's register'd			J & J	115¼	Apr. 15,'01			
• Dakota ext'n g. 6's...	1910	5,284,000	M & N	112¼	Mar. 25,'05	112⅜	112¼	4,000
• Mont. ext'n 1st g. 4's..	1937	10,185,000	J & D	104¾	Mar. 24,'05	104¾	103½	84,000
• registered			J & D	106	May 6,'01			
• Pac. Ext. sterl. gtd. 4s.. 1940 $5=£1.	1940	£4,000,000	J & J					
Eastern R'y Minn, 1std. 1st g. 5's..	1908	4,700,000	A & O	104¾	Mar. 8,'05	104¾	104¾	1,000
• registered			A & O					
• Minn. N. div. 1st g. 4's..	1940	5,000,000	A & O					
• registered			A & O					
Minneapolis Union 1st g. 6's....	1922	2,150,000	J & J	128	Apr. 4,19'			
Montana Cent. 1st 6's int. gtd..	1937	6,000,000	J & J	135	Jan. 25,'05			
• 1st 6's, registered			J & J	134¾	Dec. 20,'04			
• 1st g. g. 5's	1937	4,000,000	J & J	118⅛	Feb. 20,'05			
• registered			J & J					
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	117	Jan. 11,'04			
• registered			J & D					
Salt Lake City 1st g. s. f. 6's	1913	297,000	J & J					
San Fe Pres.& Phoe. Ry. 1st g. 5's,	1942	4,940,000	M & S	110	Jan. 7,'04			
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,872,000	J & J	113¾	Dec. 11,'01			
Seaboard Air Line Ry g. 4's	1950							
• registered		12,775,000	A & O	91	Mar. 31,'05	91½	90	349,000
• col. trust refdg g. 5's..	1911		A & O					
Carolina Central 1st con. g. 4's.	1949	10,000,000	M & N	104	Mar. 30,'05	104¾	104	21,000
Fla Cent & Peninsular 1st g.5's.	1918	2,847,000	J & J	99	Mar. 20,'05	99	98⅝	6,000
• 1st land grant ext g.5's.	1930	3,000,000	J & J	109	Feb. 2,'05			
• cons. g. 5's	1943	410,000	J & J					
Georgia & Alabama 1st con.5's.	1945	4,370,000	J & J	109½	Mar. 3,'05	109½	109½	1,000
Ga. Car. & Nthern 1st gtd g. 5's.	1929	2,922,000	J & J	112½	Mar. 6,'05	112½	112½	5,000
Seaboard & Roanoke 1st 5's....	1926	5,360,000	J & J	110	Jan. 16,'05			
Sodus Bay & Sout'n 1st 5's, gold,	1924	2,500,000	J & J					
Southern Pacific Co.		500,000	J & J	102	Jan. 20,'03			
• 2-5 year col. trust g. 4½'s.	1905	30,000,000	J & D	101½	Mar. 27,'05	101½	101¼	188,000
• g. 4's Central Pac. coll..	1949	28,818,500	J & D	95¼	Mar. 31,'05	96	95¼	382,500
• • registered			J & D	94½	Aug. 17,'04			
Austin & Northw'n 1st g. 5's...	1941	1,920,000	J & J	109½	Feb. 3,'05			
Cent. Pac. 1st refud. gtd.g.4's..	1949	76,351,000	F & A	101⅛	Mar. 31,'05	101⅛	100½	263,500
• registered			F & A	99¼	Mar. 5,'93			
• mtge. gtd. g. 3½'s...	1929	17,493,000	J & D	89	Mar. 28,'05	89¾	89	48,500
• • registered			J & D					
• through SL 1st gtd g. 4's.	1954	8,300,000	A & O					
• registered			A & O					
Gal. Harrisb'gh & S.A. 1st g 6's..	1910	4,756,000	F & A	108⅛	Mar. 1,'05	108⅛	108⅛	1,000
• 2d g 7's	1905	1,000,000	J & D	103	Sept. 20,'04			
• Mex. & P. div 1st g 5's.	1931	13,418,000	M & N	115	Feb. 24,'05			

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Gila Val.G.& N'n 1st gtd g 5's	1924	1,514,000	M & N	109½	Mar. 29,'05	109½	109	11,000
Houst. E. & W. Tex. 1st g.5's	1933	501,000	M & N	105½	Jan. 27,'05	....	....	....
" 1st gtd. g. 5's	1933	2,199,000	M & N	107¼	Feb. 20,'05	....	....	....
Houst. & T.C. 1st g 5's int. gtd.	1937	5,092,000	J & J	111½	Mar. 8,'05	111½	111½	3,000
" con. g 6's int. gtd.	1912	2,430,000	A & O	118	Dec. 15,'04	....	....	....
" gen. g 4's int. gtd.	1921	4,275,000	A & O	100	Mar. 30,'05	100	98¼	32,000
" W&Nwn.div.1st.g.6's	1930	1,105,000	M & N	127½	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's	1921	2,240,000	J & J	....		....	....	....
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	122	Dec. 6,'04	....	....	....
" 1st 7's	1918	5,000,000	A & O	129½	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's	1912	1,465,000	A & O	....		....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's	1907	3,964,000	J & J	106	Sept.14,'04	....	....	....
" gtd. g. 5's		4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's	1927	18,631,000	J & J	102	Nov.25,'04	....	....	....
San Ant.&Aran Pass1st gtd g 4's	1943	17,544,000	J & J	90½	Mar. 27,'05	91½	90½	132,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	106½	Jan. 19,'05	....	....	....
" " "	1910	4,000,000	J & J	109⅝	Jan. 6,'05	....	....	....
" of Cal. 1st g 6's ser. A	1905	29,187,500	A & O	100⅝	Oct. 8,'04	....	....	....
" " " ser. B	1905		A & O	102¼	Mar. 8,'04	102¼	102¼	25,000
" " " C. & D.	1906		A & O	104½	Dec. 22,'04	....	....	....
" " " E. & F.	1902		A & O	115	Mar. 17,'05	115	115	2,000
" " "	1912	....	A & O	116	June29,'04	....	....	....
" 1st con. gtd. g 5's	1937	6,809,000	M & N	119	Feb. 2,'04	....	....	....
" stamped	1905-1937	21,470,000	......	109⅝	Mar. 24,'05	109⅝	109¼	7,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....		....	....	....
" of N. Mex. c. 1st 6's	1911	4,180,000	J & J	109½	Feb. 23,'05	....	....	....
Tex. & New Orleans 1st 7's	1905	862,000	F & A	103	Oct. 3,'04	....	....	....
" Sabine div. 1st g 6's	1912	2,575,000	M & S	112½	Feb. 24,'05	....	....	....
" con. g 5's	1943	1,620,000	J & J	108½	Mar. 4,'05	108½	108½	15,000
Southern Railway 1st con. g 5's	1994	41,177,000	J & J	119⅝	Mar. 30,'05	119¾	119¼	228,000
" registered			J & J	110	Feb. 29,'04	....	....	....
Mob. & Ohio collat. trust g. 4's	1938	7,999,000	M & S	96¾	Mar. 29,'05	97⅛	96½	74,000
" registered			M & S	....		....	....	....
" Memph.div.1st g.4-4½-5's	1996	5,183,000	J & J	117¼	Dec. 2,'04	....	....	....
" registered			J & J	....		....	....	....
" St. Louis div. 1st g. 4's	1951	11,750,000	J & J	99¼	Mar. 30,'05	100	99	72,000
" " registered			J & J	....		....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	117½	Mar. 20,'05	117½	117½	1,000
Atlantic & Danville 1st g. 4's	1948	3,925,000	J & J	98½	Mar. 8,'05	98½	98½	2,000
" 2d mtg	1948	775,000	J & J	90½	Dec. 6,'04	....	....	....
Atlantic & Yadkin, 1st gtd g 4s	1949	1,500,000	A & O	....		....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	118	May 12,'04	....	....	....
East Tenn., Va. & Ga. div.g.5's	1930	3,106,000	J & J	114¼	Mar. 25,'05	114¼	114¼	2,000
" con. 1st g 5's	1956	12,770,000	M & N	121¾	Mar. 29,'05	121⅞	121¾	15,000
" reorg. lien g 4's	1938	4,500,000	M & S	114	Mar. 10,'05	114	114	1,000
" registered			M & S	....		....	....	....
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	124¾	Mar. 22,'05	124¾	124¼	8,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	126½	Feb. 7,'05	....	....	....
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	116½	Mar. 3,'05	116⅛	116⅛	1,000
" deb. 5's stamped	1927	3,368,000	A & O	112⅝	Jan. 24,'05	....	....	....
Rich. & Mecklenburg 1st g. 4's	1948	315,000	M & N	98	Feb. 18,'05	....	....	....
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	110	Mar. 7,'05	110¾	110	8,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	103	Mar. 29,'04	....	....	....
" small			M & S	....		....	....	....
" ser. B 6's	1911	1,900,000	M & S	113½	Jan. 6,'03	....	....	....
" small			M & S	....		....	....	....
" ser. C 6's	1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
" small			M & S	....		....	....	....
" ser. D 4-5's	1921	950,000	M & S	110	Dec 22,'04	....	....	....
" small			M & S	....		....	....	....
" ser. E 5's	1926	1,775,000	M & S	114	Jan. 11,'05	....	....	....
" small			M & S	....		....	....	....
" ser. F 5's	1931	1,310,000	M & S	108	Nov. 9,'03	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	117	Mar. 25,'05	117	115½	14,000
" gen.5's. gtd. stamped	1926	2,466,000	M & N	110½	May 10,'04	....	....	....
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	93	Dec. 31,'03	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	116⅛	Mar. 16,'05	116⅛	116⅛	5,000
Spokane Falls & North. 1st g.6's	1939	2,812,000	J & J	117	July 25,19'	....	....	....
Staten Isl.Ry.N.Y.1st gtd.g.4½'s	1943	500,000	J & D	100	Nov 22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	112½	Mar. 4,'03	112½	112½	4,000
" 1st con. g. 5's	1894-1944	5,000,000	F & A	121	Mar. 4,'05	121	121	4,000
" gn. refdg. sg. fd. g.4's.	1953	18,000,000	J & J	100	Mar. 27,'05	100½	100	11,000
" " " registered.			J & J	....		....	....	....
St. L. Mers. bdg. Ter. gtd g.5's	1930	3,500,000	A & O	112½	July 29,'04	....	....	....
Tex. & Pacific, 1st gold 5's	2000	25,000,000	J & D	123¼	Mar. 31,'05	123¼	122	95,000
" 2d gold income, 5's	2000	963,000	MAR.	94	Mar. 30,'05	97	94	5,000
" La. Div.B.L. 1st g.5's	1931	4,241,000	J & J	109½	Aug. 5,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	*Date.*	MARCH SALES. *High.*	*Low.*	*Total.*
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106½	Nov. 7,'04	....	....	....
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	115¼	Mar. 8,'05	115¼	115¼	1,000
" 1st M. g 5's West. div	1935	2,500,000	A & O	111	May 31,'04	....	....	....
" gen. g. 5's	1935	2,000,000	J & D	107	Sept. 8,'04	....	....	....
" Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	97¼	Mar. 30,'05	98⅛	96⅛	47,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	93⅛	Mar. 28,'05	95	92⅞	26,000
Tol., St.L.&Wn. prior lien g 3½'s	1925	9,000,000	J & J	90½	Mar. 28,'05	90½	90½	4,000
" registered			J & J	....	....	....	....	....
" fifty years g. 4's	1925	6,500,000	A & O	86	Mar. 30,'05	86⅝	85⅝	245,000
" registered			A & O	....	....	....	....	....
Toronto,Hamilton&Buff 1st g 4s	1946	3,280,000	J & D	97¾	Mar. 10,'05	97¾	97⅛	3,000
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	112⅞	Mar. 28,'05	112⅞	112	11,000
" 1st ref. g. 4's	1952	700,000	A & O	95¼	Jan. 13,'05	....	....	....
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	107⅛	Mar. 31,'05	107⅛	105¾	581,500
" registered			J & J	105	Mar. 18,'05	105	104⅛	4,000
" 1st lien con. g. 4's	1911	46,240,000	M & N	132⅛	Mar. 31,'05	137¾	128⅝	6,564,000
" registered			M & N	121	Feb. 3,'05	....	....	....
Oreg. R. R. & Nav.Co.con. g 4's	1946	21,482,000	J & D	103	Mar. 31,'05	103¼	102⅛	61,000
Oreg. Short Line Ry. 1st g. 6's	1922	14,931,000	F & A	124	Mar. 30,'05	125⅛	124	20,000
" 1st con. g. 5's	1946	12,328,000	J & J	119¼	Mar. 31,'05	120	119¼	33,000
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
" g. 5's	1926	1,802,000	J & J	114½	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	110	Mar. 1,'05	110	110	1,000
Wabash R.R. Co., 1st gold 5's	1939	33,011,000	M & N	119½	Mar. 31,'05	119½	118¼	131,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	109	Mar. 28,'05	109½	108½	68,000
" deben. mtg series A	1939	3,500,000	J & J	90	Feb. 4,'05	....	....	....
" series B	1939	26,500,000	J & J	81¾	Mar. 31,'05	84¾	69½	10,736,000
" first lien eqpt. fd.g. 5's	1921	2,600,000	M & S	102	Jan. 13,'04	....	....	....
" 1st lien 50 yr.g.term4's	1954	1,715,000	J & J	....	....	....	....	....
" 1st g.5's Det.& Chi.ex	1940	3,349,000	J & J	110¼	Mar. 28,'05	110¼	110¼	1,000
" Des Moines div.1st g.4s	1939	1,600,000	J & J	97	Nov.16,'04	....	....	....
" Omaha div. 1st g. 3½s	1941	3,173,000	A & O	88¼	Mar. 3,'05	88¼	88¼	5,500
" Tol. & Chic.div.1stg.4's	1941	3,000,000	M & S	97½	Jan. 23,'05	....	....	....
St.L.,K.C.& N.St.Chas. B. 1st6's	1908	463,000	A & O	109½	Mar. 13,'03	....	....	....
Wabash Pitts Terml Ry 1stg.4's	1954	25,000,000	J & D	94	Mar. 31,'05	95½	93¾	1,054,000
" 2d g. 4's	1954	20,000,000	J & D	42½	Mar. 31,'05	45¾	42	2,384,500
Western Maryland 1st 4's	1952	29,367,000	A & O	93¼	Mar. 31,'05	94	92	1,280,000
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	118½	Feb. 24,'05	....	....	....
" gen g. 3-4's	1943	9,789,000	A & O	98¾	Mar. 6,'05	98¾	98¾	1,000
" inc. 5's	1943	10,000,000	Nov.	40	Mar.21,'01	....	....	....
West Va.Cent'l & Pitts.1st g. 6's	1911	3,250,000	J & J	111	Mar. 9,'05	111½	111	10,000
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	114¾	Mar. 28,'05	114¾	114¾	3,000
" Wheeling div. 1st g. 5's	1928	894,000	J & J	110½	May 17,'04	....	....	....
" exten. and imp. g. 5's	1930	343,000	F & A	114¼	Mar. 16,'05	114¼	114¼	3,000
" 20 year eqptmt s.f.g.5's	1922	2,152,000	J & J	102	Jan. 3,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,618,000	M & S	92½	Mar. 31,'05	92⅞	92	238,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	94	Mar. 30,'05	94⅝	92½	179,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	....	....	....	....	....
STREET RAILWAY BONDS.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	112	Mar. 27,'05	112¾	112½	28,000
" 1st ref. conv. g. 4's	2002	15,250,000	J & J	86⅞	Mar. 31,'05	87	85¾	1,732,000
" " registered			J & J	....	....	....	....	....
" City R. R. 1st c. 5's 1916	1941	4,373,000	J & J	109½	Nov. 18,'04	....	....	....
" Qu. Co. & S. c. gd. g. 5's	1941	2,255,000	M & N	106	Feb. 9,'05	....	....	....
" Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	110⅝	Mar. 31,'05	111	110	27,000
" stamped guaranteed			.....	109¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	92	Mar. 29,'05	92¼	92	3,000
" stamped guaranteed			.....	92¼	Mar. 29,'05	93¾	92¼	43,000
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	89	Mar. 31,'05	89⅝	88	52,000
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn.Ry.& Lightg 1st&rfg.g4½'s	1951	10,913,000	J & J	99½	Feb. 27,'05	....	....	....
" stamped guaranteed			.....	....	....	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97½	June13.19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....	....	....	....	....
DetroitCit'ensSt. Ry. 1stcon.g.5's	1905	5,485,000	J & J	103	Nov.23,'01	....	....	....
Detroit United Ry 1st c. g. 4½'s	1932	3,450,000	J & J	95⅝	Mar. 13,'05	95⅝	95⅝	17,000
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....	....	....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Metro. St. Ry N.Y.g. col. tr.g. 5's	1997	12,500,000	F & A	115½	Mar. 27,'05	116½	114½	45,000
" refunding 4's	2002	15,134,000	A & O	93¼	Mar. 31,'05	93¼	93	119,000
B'way & 7th ave. 1st con. g. 5's	1943	7,650,000	J & D	118½	Mar. 28,'05	119	118⅛	18,000
" registered			J & D	119½	Dec. 3,19'	....	....	....

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MARCH SALES. *High.*	MARCH SALES. *Low.*	MARCH SALES. *Total.*
Columb.& 9th ave.1st gtd g 5's, 1993	3,000,000	M & S	120⅛	Mar. 27,'05	120⅛	118⅝	8,000
" registered........................		M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	120⅛	Mar. 28,'05	120⅛	117	8,000
" registered........................		M & S	....	....	....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	36,943,000	J & J	96¼	Mar. 31,'05	97⅛	96	242,000
" registered........................		J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	118⅛	Mar. 29,'05	118⅛	118⅜	6,000
Met. West Side Elev.Chic.1st g.4's.1938	9,808,000	F & A	104¾	Mar. 24,'05	104¾	104¾	2,000
" registered........................		F & A	....	....	....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's........................1919	4,050,000	J & J	106	Nov. 22,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1st g.5's.1937	3,763,000	M & N	....	....	....	....	....
St. Paul City Ry. Cable con.g.5's.1937	2,480,000	J&J15	110	July, 8'04	....	....	....
" gtd. gold 5's 1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Undergr'd Elec.Rys.of London Ltd.	16,550,000	J & D	100⅛	Mar. 29,'05	100¼	99⅛	383,000
5% profit sharing notes 1908 series A		J & D	....	....	....	....	....
" series B		J & D	....	....	....	....	....
" series C		J & D	....	....	....	....	....
" series D		J & D	....	....	....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	109⅛	Dec. 14,'99	....	....	....
United Railways of St.L.1st g.4's.1934	28,292,000	J & J	89	Mar. 29,'05	89	88⅝	24,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	91	Mar. 31,'05	91	89	517,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	*Price.*	*Date.*	*High.*	*Low.*	*Total.*
Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	103	Mar. 28,'05	103¼	103	83,000
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.Ferry Co.of N.Y.1st c.g.5's.1948	6,500,000	F & A	56	Mar. 27,'05	57⅛	56	14,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	107¾	Nov. 4,'03	....	....	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,655,000	A & O	75	Mar. 28,'05	78	75	18,000
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g. 5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuildng & Dry Dock 5's.............1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	96	Mar. 31,'05	96½	95⅛	60,500
" registered........................		F & A	....	....	....	....	....
Provident L. Soc. of N.Y. g. 4's..1921	2,000,000	M & S	100	Mar. 20,'05	100	98	4,500
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....	....	....	....	....
St. Louis Terml. Cupples Station. & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113⅛	Dec. 18,19'	....	....	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series E 4's..................1907–1917	1,000,000	J & D	....	....	....	....	....
" F 4's..................1908–1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's..................1903–1918	1,000,000	F & A	....	....	....	....	....
" H 4's..................1903–1918	1,000,000	M & N	....	....	....	....	....
" I 4's..................1904–1919	1,000,000	F & A	....	....	....	....	....
" J 4's..................1904–1919	1,000,000	M & N	....	....	....	....	....
" K 4's..................1905–1920	1,000,000	J & J	....	....	....	....	....
Small bonds...........	....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	100	Mar. 30,'05	101	100¼	71,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	97¾	Mar. 31,'05	98½	97	216,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	95	Mar. 28,'05	95	95	16,000
Am.Thread Co., 1st coll.trust 4's.1919	6,000,000	J & J	88	Mar. 31,'05	88¾	87⅛	11,000
Am. Tobacco Co. 40 yrs g, 6's....1944	51,210,000	A & O	118¼	Mar. 31,'05	118¼	115¼	1,965,500
" registered...........		A & O	116	Feb. 24,'05	....	....	....
" g. 4's..................1951	72,757,000	F & A	74⅛	Mar. 31,'05	75⅝	73⅝	3,891,500
" " registered...........		F & A	74⅛	Mar. 23,'05	74⅛	74⅛	20,000
Barney & Smith Car Co. 1st g. 6's.1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Consol. Tobacco Co. 50 year g. 4's.1951	157,378,200	F & A	81⅝	Mar. 31,'05	83	80	411,000
" registered...................		F & A	85¼	Dec. 3,'04	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,609,000	A & O	82½	Mar. 31,'05	82½	79	1,976,000
Dis. Co. of Am. coll. trust g 5's..1911	2,080,000	J & J	99	Sept. 16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l Paper Co. 1st con. g 6's.1918	9,724,000	F & A	109	Mar. 30,'05	109	109	35,000
Int. Steam Pump 10 year deb. 6's.1913	2,500,000	J & J	104⅝	Mar. 27,'05	104⅝	104	27,000

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MISCELLANEOUS BONDS—*Continued*.

NAME. Principal Due.	Amount.	Int't paid.	LAST SALE. Price.	Date.	MARCH SALES. High.	Low.	Total.
Knick'r'ker IceCo.(Chic)1st g 5's.1928	1,937,000	A & O	98	Feb. 3,'05	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	107¼	Mar. 24,'05	107⅛	106⅞	90,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,851,000	J & J	91⅛	Feb. 21,'05	....	....	....
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	70	Mar. 27,'05	70	65	8,000
Standard Rope &Twine1st g.6's.1946	2,740,000	F & A	53	Mar. 31,'05	54	46	220,000
Standard Rope&Twine inc.g.5s,.1946	6,806,000	......	4⅛	Mar. 31,'05	6	2¾	1,889,000
United Fruit Co., con. 5's........1911	2,381,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's...1918	1,624,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb..1915	5,280,000	M & N	112	Mar. 27,'05	112	112	10,000
U. S. Reduction & Refin. Co. 6's..1931	....	......	91	Mar. 31,'05	92⅛	84	705,000
U.S. Realty & Imp.con.deb.g.5's.1924	13,284,000	......	102¾	Mar. 31,'05	103⅛	101	388,000
U.S.SteelCorp.10-60yr.g.sk.fd5's 1963	....	M & N	95⅝	Mar. 31,'05	95⅞	93⅛	10051 000
" " " reg. 1963	170,000,000	M & N	95	Mar. 31,'05	95⅝	93¾	80,000
Va.Carol Chem. col.tr.s.fd.g.5's..1912	6,500,000	A & O	101	Mar. 21,'05	101⅛	101	23,000
BONDS OF COAL AND IRON COS.							
Col. Fuel & Iron Co. g.s.fd.g 5's..1943	5,355,000	F & A	103⅞	Mar. 23,'05	105⅛	103⅞	9,000
" conv. deb. g. 5's..........1911	1,710,000	F & A	90	Feb. 25,'05	....	....	....
" " registered............		F & A	....	....	....	....	....
" " Trust Co. certfs......	12,358,000	......	89	Mar. 25,'05	89¼	88⅝	238,000
Col. C'l & I'n Dev.Co. gtd g.5's..1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off.................	....		....	....	....	....	....
Colo. Fuel Co. gen. g. 6's.......1919	640,000	M & N	107⅛	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.1919	949,000	A & O	103¼	July 26,'02	....	....	....
Continental Coal 1st s. f. gtd. 5's..1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's1926	1,588,000	J & D	105⅛	Oct. 10,'98	....	....	....
" 2d g. 5's.................1926	1,000,000	J & D	102⅛	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal&Coke 1st g.5's 1951	3,000,000	J & J	105	Oct. 24,19'	....	....	....
Pleasant Valley Coal 1st g. s.f.5s.1928	1,131,000	J & J	106¼	Feb. 27,'02	....	....	....
Roch &Pitts.Cl&Ir.Co.pur my5's.1946	1,064,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's..1912	835,000	J & D	....	....	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's..1951	3,526,000	J & J	98⅝	Mar. 30,'05	99¾	98⅝	21,000
" Tenn. div. 1st g. 6's......1917	1,160,000	A & O	111	Jan. 12,'05	....	....	....
" Birmingh. div. 1st con.6's1917	3,603,000	J & J	111¼	Mar. 16,'05	111¼	111¼	1,000
Cahaba Coal M. Co., 1st gtd.g.6's1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&ICo.gtd.g.6's1910	2,716,500	F & A	103	Feb. 7,'05	....	....	....
Utah Fuel Co. 1st s. f. g. 5's......1931	853,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's...1949	6,335,000	M & S	89⅛	Mar. 29,'05	90¾	88	116,000
GAS & ELECTRIC LIGHT CO. BONDS.							
Atlanta Gas Light Co. 1st g. 5's..1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union GasCo.1stcong. 5's.1945	14,493,000	M & N	116⅛	Mar. 29,'05	116¾	116⅛	4,000
Buffalo Gas Co. 1st g. 5's.........1947	5,900,000	A & O	72	Mar. 31,'05	73	72	95,000
Columbus Gas Co., 1st g. 5's......1932	1,215,000	J & J	104⅛	Jan. 28,'98	....	....	....
ConsolidatedGasCo.,con.deb.6's..1909	19,785,000	J & J	183	Mar. 31,'05	187¼	182	264,500
Detroit City Gas Co. g. 5's.......1923	5,603,000	J & J	101⅛	Mar. 31,'05	102⅛	101¼	76,000
Detroit Gas Co. 1st con.g.5's.....1918	381,000	F & A	105	June 2,'03	....	....	....
Eq. G. L. Co.of N.Y. 1st con.g.5's.1932	3,500,000	M & S	102⅛	Nov. 5,'04	....	....	....
Gas. & Elec.of Bergen Co. c.g.5s.1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. deb. g. 3½'s 1942	2,049,400	F & A	89⅛	Mar. 3,'05	89⅛	89⅛	12,000
Grand Rapids G. L. Co. 1stg.5's.1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's....1949	10,290,000	M & N	109⅛	Feb. 10,'05	....	....	....
Kansas City Mo. Gas Co. 1st g 5's.1922	3,750,000	A & O	100	Oct. 18,'04	....	....	....
Kings Co. Elec. L.&Power g. 5's..1937	2,500,000	A & O	....	....	....	....	....
" purchase money 6's....1997	5,010,000	J & J	126¼	Mar. 24,'05	127	126¼	14,000
Edison El. Ill. Bkln 1st con.g.4's.1939	4,275,000	J & J	96¼	Oct. 7,'04	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	10,000,000	Q F	109¼	Mar. 31,'05	109⅛	108⅛	44,000
" small bonds................							
" refdg. & enten 1st g.5s.1934	5,000,000	A & O	106⅛	Jan. 27,'05	....	....	....
Milwaukee Gas Light Co. 1st 4's..1927	7,000,000	M & N	92¼	Jan. 21,'05	....	....	....
Newark Cons. Gas, con. g. 5's....1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y.GasEL.H&PColstcol tr g5's.1948	15,000,000	J & D	111¼	Mar. 28,'05	111⅛	111¼	20,000
" registered.....................		J & D	110¼	Dec. 30,'04	....	....	....
" purchase mny col tr g 4's.1949	20,927,000	F & A	94	Mar. 31,'05	95	94	103,000
Edison El. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	103⅛	Mar. 30,'05	103⅛	103⅛	3,000
" 1st con. g. 5's............1995	2,156,000	J & J	118⅛	Mar. 23,'05	118⅛	118⅛	1,000
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's1930	2,272,000	F & A	106	Mar. 29,'05	106¾	106	34,000
N.Y.& RichmondGasCo.1stg. 5's.1921	1,000,000	M & N	100	Mar. 15,'04	....	....	....
Paterson&Pas. G.&E. con.g.5's..1949	3,317,000	M & S	....	....	....	....	....
Peo. Gas & C. C. 1st con. g 6's...1943	4,900,000	A & O	127⅛	Feb. 15,'05	....	....	....
" refunding g. 5's........1947	2,500,000	M & S	106¾	Dec. 28,'04	....	....	....
" refuding registered....		M & S	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME. Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	March Sales. High	March Sales. Low.	March Sales. Total.
{ Chic.Gas Lt&Coke 1st gtd g.5's.1937	10,000,000	J & J	110	Feb. 18,'05	....	....	....
Con. Gas Co.Chic. 1st gtd.g.5's.1936	4,346,000	J & D	109¼	Mar. 28,'05	109¼	108¾	15,000
Eq.Gas&Fuel,Chic. 1stgtd.g.6's.1905	2,000,000	J & J	100⅛	Jan. 11,'05	....	....	....
MutualFuelGasCo.1stgtd.g.5's.1947	5,000,000	M & N	107⅛	Mar. 28,'05	107⅛	105⅛	48,000
" registered........................	....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g. 5's..1951	2,000,000	J & D	...	....	....	....	....
Trenton Gas & Electric 1st g. 5's.1949	1,500,000	M & S	110⅞	Mar. 27,'05	110⅞	110¼	21,000
Utica Elec. L. & P. 1st s. f'd g.5's.1950	1,000,000	J & J	...	....	....	....	....
Westchester Lighting Co. g. 5's.1950	5,380,000	J & D	113	Jan. 31,'05	....	....	....
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	28,000,000	J & J	97⅝	Mar. 24,'05	97⅝	97	224,000
Commercial Cable Co. 1st g. 4's.2397.	} 10,596,700	Q & J	92	Dec. 17,'04	....	....	....
" registered........................		Q & J	100¼	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	} 1,823,000	M & N	109¾	June22,'04	....	....	....
" registered........................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	111	Mar. 31,'05	111½	111	7,000
{ " fundg & real estate g.4½'s.1950	20,000,000	M & N	107	Mar. 31,'05	107	106⅛	94,000
{ Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	110¼	Mar. 25,'04	110¼	110¼	1,000
{ Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	103	July26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME Principal Due.	Amount.	Int'st Paid.	Year 1905. High.	Year 1905. Low.	March Sales. High.	March Sales. Low.	March Sales. Total.
United States con. 2's registered...1930		Q J	....	....	....	....	......
" con. 2's coupon............1930	542,909,950	Q J	105⅝	105¼	105⅝	105¼	9,000
" con. 2's reg. small bonds..1930		Q J	104⅝	104⅝	104⅝	104⅝	16,000
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered...........1908-18		Q F	104⅛	103⅞	104⅛	104⅛	1,000
" 3's coupon..............1908-18	77,135,300	Q F	105⅛	104	105	104⅛	4,500
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908-18		Q F	....	....	....	....	......
" 4's registered...............1907	156,591,500	J A J&O	105¼	104⅛	....	....	......
" 4's coupon..................1907		J A J&O	105⅞	105½	105¾	105¾	3,000
" 4's registered..............1925	118,489,900	Q F	....	....	....	....	......
" 4's coupon..................1925		Q F	133	133	133	133	3,000
District of Columbia 3-65's...........1924		F & A	....	....	....	....	......
" small bonds......................	14,224,100	F & A	....	....	....	....	......
" registered........................		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914-34	7,000,000	Q F	110	109⅛	110	110	6,000
STATE SECURITIES.							
Alabama Class A 4 and 5...............1906	6,859,000	J & J	101⅛	101⅛	....	....	......
" " small............	....	....	....	....	....	....	......
" Class B 5's....................1906	575,000	J & J	....	....	....	....	......
" Class C 4's....................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's................1914	} 10,752,800	J & J	....	....	....	....	......
" " small bonds...........							
North Carolina con. 4's...............1910	} 3,397,350	J & J	....	....	....	....	......
" small........................		J & J	....	....	....	....	......
" 6's.........................1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds......1866 1900	} 556,500	J & J	....	....	....	....	......
" " 1868-1898		A & O	....	....	....	....	......
" new bonds.............1892-1898	} 624,000	J & J	....	....	....	....	......
" "		A & O	....	....	....	....	......
" Chatham R. R....................	1,200,000	A & O	....	....	....	....	......
" special tax Class 1..............	....	A & O	....	....	....	....	......
" " Class 2............	....	A & O	....	....	....	....	......
" " to Western N. C. R....	....	A & O	....	....	....	....	......
" " Western R. R..........	....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R........	....	A & O	....	....	....	....	......
" " Western & Tar. R......	....	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

Name.	Principal Due.	Amount.	Int'st paid.	Year 1905. High.	Year 1905. Low.	March Sales. High.	March Sales. Low.	March Sales. Total.
South Carolina 4½'s 20-40	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's	1913	6,681,000	J & J	96¼	96	96	96	11,200
" registered		6,079,000	J & J	....	....	....	....	......
" small bond		362,200	J & J	95	95	....	....	......
" redemption 4's	1907	469,000	A & O	....	....	....	....	......
" 4½s	1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of	1991	18,054,809	J & J	97⅛	97	97	97	3,000
" registered			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		2,274,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871		10,416,565	....	13⅞	12	12¾	12	42,000
Foreign Government Securities.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series I	1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan	1911	£10,000,000	A & O	103⅛	94½	103½	101	2,454,500
Imperial Russian Gov. State 4% Rente		2,810,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000,000	M & N	....	....	....	....	...
Republic of Cuba g. 5's extern debt	1904	35,000,000	M & S	108	103¼	105⅞	104¾	360,500
" registered			M & S	...	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200		£21,988,200	......	101⅛	100	101⅛	100⅛	57,000
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	...	....	......

BANKERS' OBITUARY RECORD.

Everson.—Terry Everson, President of the First National Bank, Moravia, N. Y., since 1883, died March 24, aged eighty-three years.

Fowler.—Lucius Fowler, of Smith, Fowler & Co., bankers, Chardon, Ohio, died February 28, aged about eighty years.

Gavitt.—Saxon B. Gavitt, President of the Gavitt National Bank, Lyons, N. Y., died April 3. Mr. Gavitt had conducted a private banking business for forty years, and recently was succeeded by the Gavitt National Bank, of which he became President.

Griffen.—Thaddeus S. Griffen, President of the First National Bank, Brunswick, Mo., died March 31.

Haldeman.—Dr. H. M. Haldeman, proprietor of the Bank of Girard, Girard, Kas., died March 20, aged about sixty years.

Heistand.—Andrew Heistand, President of the Preble County National Bank, Eaton, Ohio, died February 14, aged eighty-two years.

Hollingsworth.—Henry S. Hollingsworth, Vice-President of the German Savings Bank, Brooklyn, N. Y., died March 12. He was one of the organizers of the bank, and was also interested in other corporations and in manufacturing.

Huse.—W. J. Huse, Cashier and principal stockholder of the Osage Valley Bank, Warsaw. Mo., died March 19.

Iselin.—Adrian Iselin, founder and for many years the head of the banking firm of A. Iselin & Co., New York city, died March 28, in his eighty-seventh year. Mr. Iselin was born in Scotland, of Swiss parentage, and was educated abroad. He was for some time engaged in the importing business

in New York, and in 1837 established the banking firm of A. Iselin & Co. in this city, and was highly successful, amassing a fortune estimated at from $20,000,000 to $30,000,000. He retired from active business about twenty years ago. He was a large contributor to religious and philanthropic societies.

Johnson.—D. O. Johnson, President of the Farmers' State Bank, Charter Oak, Iowa, died March 12, aged fifty-four years. He was educated at Iowa College, Grinnell, and after spending three years in the mercantile business, he was appointed deputy postmaster, and after holding this position for six years was appointed county treasurer, and was elected to this office for two succeeding terms. In 1890 he organized the Farmers' State Bank at Charter Oak.

Klauder.—C. W. Klauder, President of the Manayunk Trust Co., Philadelphia, died March 3, aged fifty-five years.

Lemon.—John S. Lemon, President of the Tootle-Lemon National Bank, Saint Joseph, Mo., died March 17. He was born at Shepherdsville, Ky., in August, 1833, and at the age of nineteen went west, and finally located at Saint Joseph, where he first became clerk in a store and later was taken into partnership. In 1884 he became President of the Merchants' Bank, of which he had been a director for some time previously. In 1890, with Milton Tootle, Jr., and Thomas E. Tootle, he established the private bank of Tootle, Lemon & Co., which was successfully conducted for three years and was then merged into the present Tootle-Lemon National Bank, of which Mr. Lemon became President. He was a fine type of a successful self-made business man, and had amassed a fortune estimated at about $1,000,000.

Mowry.—Hon. Arlon Mowry, President of the National Globe Bank and the Mechanics' Savings Bank, Woonsocket, R. I., died March 8. He was born in the town of Smithfield, R. I., February 23, 1833. Besides his banking interests he had other important business connections, and was prominent in politics, having been a member of both houses of the Rhode Island Legislature.

Noone.—Luke Noone, President of the Kingston (N. Y.) Savings Bank, and Vice-President of the Kingston National Bank, died March 19, aged eighty-three years.

Porter.—Dudley Porter, President of the Merrimack National Bank, Haverhill, Mass., died March 26, aged sixty-eight years.

Smith.—Emmett Smith, President of the Bayonne (N. J.) Trust Company, died March 11, aged fifty-six years.

Straley.—H. W. Straley, President of the Princeton (W. Va.) Banking Co., died March 3. He began his business career as a merchant, but later established the Princeton Banking Company, which was highly profitable and successful. Mr. Straley left a fortune estimated at one million dollars or more.

Ward.—William R. Ward, President of the Benton (Ill.) State Bank, and one of the wealthiest and most prominent men of Franklin county, died March 10, aged fifty-six years.

Webber.—John A. Webber, senior member of the banking firm of John A. Webber & Son, Portland, Mich., died March 26, aged sixty years.

Wheeler.—J. R. Wheeler, President of the Wheeler Savings Bank, Brookfield, Mo., died March 14.

Bank Clerks' Convention.—Committees have been appointed and arrangements are under way for the third annual convention of the American Institute of Bank Clerks in Minneapolis, July 20 to 22. A. M. Barrett, of New York, is chairman of the convention committee; O. H. Richards of Minneapolis, chairman of committee on speakers; A. H. Cooley of Hartford, chairman of committee on papers; E. E. Kehew of Pittsburg, chairman of committee on programme; G. K. Wadsworth of Chicago, chairman of committee on transportation; F. R. Dooley of Washington, chairman of convention press committee.

THE

BANKERS' MAGAZINE

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FIFTY-NINTH YEAR. MAY, 1905. VOLUME LXX, NO. 5.

THE MAD RACE FOR WEALTH which characterizes the present era has received a melancholy illustration in the downfall of FRANK G. BIGELOW, President of the First National Bank, of Milwaukee, Wis. Here was a man at the head of one of the oldest banks in the Northwest, and the first National bank to be organized in the State of Wisconsin, and the sixty-fourth in the National banking system. He had been with the bank for forty years or more, and had worked his way up from the inferior grades of service to the highest position the management could bestow. His fellow bankers of the United States had honored him by making him President of the American Bankers' Association, an organization having a membership of 7,563 banks, bankers and trust companies, and representing a total capital, surplus and deposits amounting to over $11,000,000,000. As President of the bank, he had a large income, and his private fortune was generally supposed to exceed a million. With all these honors and emoluments, the question naturally arises, What more could be desired? The answer seems to be: Money, money, money! Having apparently all the money necessary to enable him to live not only in comfort, but in luxury, he yet sacrifices an honorable reputation in the mad ambition to pile up more wealth. Had the bank of which he was President not been one of exceptional strength, he would have dragged the institution down to ruin with him.

It in no wise palliates the offense to seek for some explanation of this remarkable case. The amount taken from the bank was about $1,400,000, which was lost in speculation in wheat. Of course, if Mr. BIGELOW had been successful, and had carefully covered up the method by which the money was taken, he would have continued to enjoy a high reputation as a financier instead of being stigmatized as he now is. But would he have been less guilty in the one case than in the other? Perhaps it is this failure to discriminate between the legitimate possession of wealth and that obtained by questionable methods that results in setting up a

false standard by which men are judged. The vast schemes of the high financier and his philanthropies dazzle the public eye, and silence hostile criticism of the means by which his wealth was acquired. Those who have gained enormous riches not only have the satisfaction of wielding tremendous power, but they frequently set themselves up as a superior sort of being, divinely appointed as custodians of wealth which the less wise would dissipate in foolish expenditures. They are more or less justified in assuming this attitude by the popular attention and applause which follow their movements and actions. That financial acumen is not equally present in all men, goes without saying; but, on the other hand, there are some millionaires whose wealth represents earnings properly belonging to some one else. The manner in which their wealth has been acquired does not debar them from the most select circles of society and finance. They are popularly hailed as great kings of the monetary world, and are praised universally as benefactors of the race. But there are those who know how such fortunes and reputations have been gained, and they are not slow to seek to duplicate a plan which has worked so successfully with others. Thus we see men getting rich by making use either of the labor or the money of others, in the latter case trust funds not even being considered sacred.

There is, of course, a legitimate way to make money. It was well defined by the late GEORGE S. COE, President of the American Exchange National Bank, of New York, in an address delivered before the convention of the American Bankers' Association in 1886. Mr. COE said: "To produce by industry the money's worth is the legitimate way to make money." When this old-fashioned standard is fully restored, the temptation to gain enormous wealth by questionable means will be greatly reduced, and it will probably be removed entirely when the same odium attaches to those who are successful in their unprincipled schemes as to those who fail.

BIGELOW's downfall has been attributed to his speculative propensities—the instinct of the gambler who plays for mere love of the game. If this be true, it is unfortunate both for himself and the bank that he did not find some more appropriate field for the display of these propensities. It can not be repeated too often that speculation should have no place in banking, and any tendency in that direction can not be too promptly checked by the directors of a bank.

Viewed in any aspect, the Milwaukee incident is all but inexplicable. That a man having a long and honorable banking record, a high reputation, and possessing what most men would consider an ample fortune, should take a course likely to crown his banking career with infamy instead of pursuing the pathway of honor, passes comprehension. Whether his mind became infested by the microbes of money madness with which the air is filled, or whether, commencing in mild speculation, he ac-

quired the gambler's passion for gain—on any hypothesis that can be constructed, the event is a pitiable exhibition of the weakness of human nature. Something, at least, may be said in Mr. BIGELOW'S behalf. He did not attempt to exculpate himself, and blamed no one else for his course. He has also turned over several hundred thousand dollars in securities, including his life insurance, to the bank and other creditors. While nothing can be said in mitigation of the offense, every one must regret that Mr. BIGELOW ever allowed himself to become so involved in speculation as to open the way to a temptation that he could not, or at least did not, resist. The speculator who has control of the funds of others is always in danger of a like catastrophe. Profoundly imbued with the love of gain, and believing that ultimate success is certain, there comes a time when his own means are exhausted, and, feeling sure of being able to make restitution when the favorable turn comes, he begins to use funds not his own—in small amounts at first, but necessarily increasing in amount, until finally the crash comes, bringing with it ruin and disgrace.

It would be easy to take an exaggerated view of this whole matter, owing to the prominence of the individual involved. Serious as this affair is in itself, it is well to remember that it is exceptional. There are many thousands of bank officers in the United States who are strictly maintaining the highest standard of integrity in the management of their respective institutions. Little is ever heard of them by the public, but the results of their wise and faithful management are seen in the activities of industry and trade, and on dividend day shareholders reap the fruits of their labors.

The First National Bank of Milwaukee, as a corporate entity, really loses nothing by the transactions of its late President, the directors having made up the shortage and more besides. They are wealthy men and well able to bear the loss. That the bank successfully withstood the shock caused by the defalcation is a witness to its great strength. Unfortunate as the affair is, there is cause for congratulation that the usefulness of the bank is to be preserved.

THE BANK CLERK holds a more important relation to the welfare of a bank than might be supposed at first sight. He is often the one who comes in direct contact with the bank's patrons, who form their opinion of the bank from the impression thus received. It is important, therefore, that the bank clerk should be courteous and business-like.

But there are other, and perhaps graver, responsibilities imposed upon bank clerks. This is shown by the Milwaukee defalcation. It is reported that it was a clerk who discovered the first evidence that BIGELOW was misusing the bank's funds, and who laid this information

before one of the directors. We are sorry to say that the faithfulness of one clerk to the interests of the bank was offset in this instance by the apparent unfaithfulness of others, who, if reports are true, aided the President of the bank in falsifying the books. Indeed, without such collusion, it is difficult for a bank officer to misappropriate the funds of a bank. In an address before the American Academy of Political and Social Science, EDWARD P. MOXEY, an expert bank examiner, said:

"No President, Vice-President, Cashier or Assistant Cashier of a bank can use the funds of the institution for his own use without the same being known to at least a portion of the clerks, and it is through their silence, either wilful or the non-observance of what is being done in their presence, that bank officers are enabled, and in many cases, encouraged, to take the funds of the bank. If bank clerks would do their full duty there would be fewer cases of defalcations of bank officers than at present."

Mr. MOXEY has been for many years in the employ of the Department of Justice at Washington, and has brought to light many criminal violations of the National Banking Law. His experience as a bank examiner entitles his opinions to great weight. The correctness of the views above expressed can hardly be disputed.

While this is true, it is not always easy for a bank clerk to expose the wrong-doing of a superior officer, though loyalty to the bank does not admit of any other course. There are some banks, however, where one man has absolute control, and the clerks not only regard such a man as their superior, but he becomes in time invested with a degree of sovereignty that renders him immune to the criticisms that would be visited on lesser lights. As a king of this little realm, his subjects grow to consider him incapable of doing wrong. They not only look up to him as a paragon of virtue and wisdom, but are dependent upon him for employment. Often his orders for falsifying the books or concealing some improper transaction may be accompanied with such a plausible explanation as to place the matter in a seemingly proper light, especially when taking the source of it into account.

But the great majority of bank clerks are not subservient to their superior officers, and have the moral stamina to refuse to take part in any transactions calculated to work harm to the banks in which they are employed or to countenance such transactions by a tacit knowledge of them. Doubtless Mr. MOXEY could relate many instances where he has been aided in revealing crooked work higher up by the help given him by bank clerks.

There is, of course, no good reason why a clerk should silently acquiesce in any of the frauds perpetrated upon the bank by a superior officer. Practically all the banks are managed by men of probity, and they have no use for the service of a clerk who would wink at dishonesty.

Aside, therefore, from the moral aspects of the question—which are obvious enough to everybody—a bank clerk who connives at official misdoing is working against his own interests. He is following a course destined ultimately to aid in wrecking the institution in which he is employed, and possibly to bring personal discredit and perhaps the penalties of the law upon himself.

The faithful service rendered by the clerks in a bank and the loyal watch they keep over the welfare of their institution should lead to an increased recognition of the value of their labors on the part of managing officers. There is no more practical manner of showing this appreciation than by the payment of adequate salaries.

THE SOULLESS CORPORATIONS continue to be the object of much invective and hostile action. No more striking evidence of the prevailing spirit could be found than is furnished by the following paragraph, taken from an editorial in a recent issue of the New York "Sun":

"We have taken occasion to point out, and there are few thoughtful or competent observers who fail to agree with us, that the gravest danger which threatens this country and its Government is that which has its origin in corporate dishonesty and the outrages committed in corporate management on the body corporate. It is this which makes possible the quick and thoughtless response all over the land to the headlong and stubborn impulses of our President, this which threatens the security and very existence of property and this which finds its expression in the clamor for Federal regulation of everything and municipal control of all general utilities."

Hardly less significant is this declaration, from the "Wall Street Journal":

" * * * We confess at one time to a feeling of optimism in view of the extraordinary vitality of our people, and the belief that at the heart the bulk of them are sound. At other times we are plunged in doubt because of the spectacle of * * * a 'high finance' which is so frequently shown to be merely low thievery, resorting to graft and deceit, doctoring the books, falsifying its statements, and even using the trust funds sacred to widows and orphans to promote schemes of speculation and promotion. It is clear that the money question of to-day is the wicked, odious and dangerous assault on wealth which is being inflamed by the misdeeds of men who know how to acquire wealth, but who, having acquired it, have become corrupted and enslaved by it, and thus carried to gross excesses and crimes."

Without implying any bias on the part of the papers quoted, it may be said that neither could be expected to have any prejudice against wealth, either in corporate form or otherwise. In fact, the contrary view

would appear the more reasonable. But, however this may be, opinions like the above expressed by prominent conservative newspapers at the financial centre of the country, indicate that the hostility to corporate abuses is deep-seated. Not so long ago views like the above, appearing in western papers, would have been treated in many quarters as mere populistic vagaries. Perhaps the different light in which the matter is now regarded may be owing to the fact that corporate evils have become more glaring as a result of the huge combinations of capital.

This hostility to aggregated wealth, according to the views quoted above, seems to have been engendered by those who have mismanaged the affairs of certain corporations. The term "mismanaged" is probably not used in this connection in its ordinary sense. As a rule the corporations have made money; in fact, the only aim of many of them seems to have been to make as much as possible without giving an adequate return of service—a slight modification of the get-rich-quick schemes.

The advantages of the corporate form of association are so well known that it is unnecessary to dwell upon them; but, on the other hand, serious abuses have accompanied the growth of these organizations. Most men who have control of corporations are like politicians—they will do things in this capacity that as individuals they would not countenance. This is perhaps attributable to the lack of direct responsibility. Besides, the average stockholder of a large corporation takes no interest in its affairs other than that the dividend he receives shall be satisfactory. And where the corporation has a monopoly, little attention need be bestowed upon the quality of the service or the character of the commodities supplied. This is illustrated by the poor service rendered by the transportation and lighting companies in some of the cities, but the public can not apply any effectual remedy. Franchises have been granted shutting out competition, and the people can not materially curtail the patronage of the companies, since both intra-mural transportation facilities and light are indispensable.

Stricter accountability in managing the affairs of corporations might be obtained by adopting the system generally prevalent in England. There a shareholders' meeting is far from being the perfunctory affair it is in this country. In England the shareholders generally take an exceedingly active part in such meetings, and if things are not to their liking the directors and officers are promptly and plainly advised of that fact. But stockholders can hardly be expected to look much to anything except the dividend rate; they are not philanthropists necessarily.

A corporation enjoying a valuable public franchise undoubtedly has other obligations than to pay dividends. It is probable that when these obligations are more clearly defined by legislative authority and by the

courts and their strict performance enforced by some impartial agency, many of the complaints now heard will be silenced.

A great deal of the criticism of corporations pertains especially to their financial operations. This is no doubt what "The Sun" means when it refers to "corporate dishonesty and the outrages committed in corporate management," and what the "Wall Street Journal" says is frequently "shown to be merely low thievery." These evils call for thorough investigation and vigorous handling by the courts and Legislatures. Further on in the article in the "Wall Street Journal" from which we have quoted, the legal profession is charged with grave responsibilities, and is characterized as "becoming a mere agency for legalized piracy." In a recent book ("British Economics") by W. R. Lawson, a well-known London writer, the legal profession is also charged with being a prop to questionable promoting schemes.

It is strongly to be suspected, however, that this is an attempt to shift the burden of responsibility upon the least thin-skinned members of the community. The lawyers, it may be supposed, work for the side that pays them best. It is hardly to be disputed that if the people were determined to compel the corporations to obey the laws, that they could not find an abundance of legal talent just as anxious to enlist itself on the side of the people as on the side of those corporations that now employ the great lawyers to devise means of setting the laws at naught. Great as is the aggregate wealth of the corporations, it is less than the resources of the public treasury.

The stock transfer law, imposing a tax of two cents on each hundred dollars on sales or transfers of stock made on the New York Stock Exchange, has passed the Legislature and has been approved by the Governor. An official copy of the new law is published elsewhere in this issue of the Magazine.

Coincident with the passage of this measure comes the announcement of the incorporation of the New Jersey Stock Exchange. As business moves along the line of least resistance, it is not unreasonable to expect that the new law will result in driving a considerable share of stock transactions across the North River.

It will be interesting to see what view of the law will be taken by the courts. Does the law interfere with inter-State commerce? If A, who resides in Chicago, directs a broker in New York to sell a hundred thousand shares of A's stock on the New York Stock Exchange, must the tax be deducted from the amount remitted to A? And if the Legislature of New York may thus tax the sales of stock, why may it not also tax the wheat which the western farmer ships to New York for sale in this market? How does such a tax harmonize with Article I, Section

IX, of the Constitution of the United States, which says: "No tax or duty shall be laid on articles exported from any State"? Whether the stock transfer law is such a tax as is here prohibited by the Constitution or not, there can be no doubt that it discriminates unjustly against the sale of stocks by exempting other forms of property, and that it also most unwisely discriminates against the business interests of this city and State in favor of other localities.

The imposition of special stamp taxes, except under the necessities of war, is not likely to add to the popularity of any political party responsible for it, and while the stock transfer tax may not have the ill effects generally predicted, it is a kind of legislation that is wrong in principle. If the measure proves successful in producing revenue, we may expect to see a law passed shortly requiring a stamp to be placed on every article each time it is sold. This would put all commodities on an equality, although in practice it might work some inconvenience. But the convenience and business of the people must, of course, give way to this enlightened method of raising revenue.

THE PERILS OF INDIVIDUAL TRUSTEESHIP are brought afresh to the mind by the recent disclosures at Milwaukee. In casting about for a proper person to have the management of a trust estate, it was not surprising that Mr. BIGELOW should have been chosen. His reputation, prominence and wealth all seemed to fit him for such duties. No one, it is presumed, ever doubted his honesty. He had made money for his bank as well as for himself, and it was a natural assumption that he would be equally successful in handling trust funds. While his indebtedness to the estates he managed does not appear to be very large, it is sufficient to indicate the risk any one runs who commits the management of his estate to a single individual. There are, of course, many individuals who are honest—the majority of men are so—and possessed of a certain degree of financial skill, but if a man as eminent in the world of money as Mr. BIGELOW was fails to stand the test, in whom can confidence safely be placed?

Men of a speculative turn of mind find great temptation in having large sums of other people's money under their control. In the beginning the misuse of such funds is so plausibly excused that the trustee really considers himself guiltless of intentional wrong-doing. From this first false step the downward progress is easy.

Since there are institutions especially designed to care for trust estates, the question arises whether it would not be better to deprive individuals of the power to act in such capacities. It would seem if anything is worthy of preserving, either from chance dishonesty, or what is more common—lack of financial judgment—it is the money or other

property left for the care of the dependent and helpless. Relative safety will not suffice; the safeguards must be absolute. Trust companies, properly organized and managed, as most of them are, afford such safeguards. Not only do the laws prescribe the permissible investments for trust funds, but also provide, in nearly all of the States, that such funds shall not be mingled with the general assets of the corporation. These legal safeguards, together with the known capital, resources and financial skill, make a trust company immensely superior to an individual as trustee, executor or administrator.

THE SURETY COMPANIES of the United States will be interested in the recent action of Attorney-General Simmons, of Oklahoma, in cancelling the licenses of a number of such companies operating in the Territory because of their failure to deposit $50,000 in cash with the Territorial Treasurer, as required by law. Most of the companies affected, and perhaps all of them, appear to be of well-known responsibility, and their omission to comply with the law can neither be ascribed to their inability to make the required deposit nor to any lack of inclination to meet their obligations.

There can be no doubt of the wisdom and propriety of legislation by the various States looking to the protection of the people from irresponsible companies, if any of this character exist, and it is reasonable to suppose that the Oklahoma law was designed solely for this purpose. It is conceivable, however, that laws of this kind may be easily employed as instrumentalities of coercion and oppression, and may be used either to extort money from outside companies or to shut them out of a State altogether so that local concerns may have a monopoly of the surety business. Or the deposit might be made so high that small companies could not afford to make it, and thus the companies of large resources would occupy the field exclusively. They might in consequence, owing to the higher rates they could exact in the absence of competition, not only be willing to deposit the required amount of cash, but make some open or secret arrangement that would inure to the benefit of the members of the Legislature or the State authorities.

The necessity for laws of the nature referred to probably originated in the sharp practices of some wild-cat companies at an earlier period of the country's history, and the better-class companies were made to suffer the odium, just as all State banks were deprived of the privilege of issuing notes because some banks failed to pay their obligations. Even the Chemical National Bank of New York would not be allowed to emit notes without first depositing bonds of the United States, dollar for dollar, with the Treasurer of the Unied States, although no one who knows anything about the credit of this bank would hesitate to accept

its notes whether so secured or not; and the same is true of the majority of the banks, State and National.

The surety business is one requiring the strictest performance of the obligations assumed by the corporations engaged in such business, and no objection can be made to properly-constructed laws having this object in view.

A cash deposit of $50,000 as a preliminary to beginning business seems rather irksome. If forty States, for instance, passed a similar law, it would mean the locking up of $2,000,000, and if this amount did not draw interest it would be a serious tax on even the large companies, and would prohibit the smaller ones from doing business outside the State of their origin.

Many of the States require outside trust companies to make a deposit with some designated State officer before the foreign company is permitted to do business. But the deposit is generally in the form of securities, and, as these draw interest any way, it does not matter much whether they are in the custody of the company or deposited in the various States. The company gets the income in either case.

It would seem to meet all proper requirements if the surety companies were permitted to deposit approved securities, instead of cash, to insure the performance of their contracts.

Trust companies do chiefly a local business, and it is doubtful if any sound reasons can be adduced for placing them under Federal control. But on the other hand the business of the surety companies is widely distributed all over the country, and the question arises whether they would not find it more advantageous to be under the regulation of the Federal Government. The security of the public could thus be made practically absolute, while the companies would be freed from the great diversity of laws and other petty restrictions. Although much may be said against substituting Federal for State control, the growing disposition of State Legislatures to impose burdensome restrictions upon inter-State business calls for some adequate remedy.

Legislative solicitude for corporate interests was shown in rather a novel way by a bill introduced into the New York Legislature by Senator Riordan, of New York. Although a request was made of the Senator for a copy of the bill, it is not forthcoming, and we are compelled to take the summary of the measure as reported by the "Wall Street Journal."

"It shall not be lawful for any monthly, weekly, tri-weekly or quarterly publications, whether in the form of a magazine, newspaper, pamphlet or book, to publish, edit or circulate any reports or statements, written or printed, as to the financial condition of life and fire insur-

ance companies, banks and trust companies, unless it has a paid-up capital of at least $200,000; unless it deposits $200,000 in cash or good securities with the State Insurance Department, and unless it holds from the State Insurance Department a license granting it the right to furnish, publish, edit or circulate any such statements regarding the financial condition of insurance companies and banks. This proposed law does not apply to daily newspapers. The bill would appear on its surface to be an attempt to prevent certain monthly magazines from printing articles in relation to the life insurance companies."

It may be that some of the insurance companies are becoming apprehensive about the attacks alluded to, or it is conceivable that the bill was designed to protect the corporations named from the assaults of irresponsible publications. But it is hardly possible that the danger from the latter source is serious enough to call for such a drastic measure. Attacks of this sort are usually harmless, and the existing laws would seem to afford a sufficient remedy for any injuries of this kind.

If this bill had become a law, all weekly or monthly publications not having $200,000 capital and depositing $200,000 with the State Insurance Department would have been prohibited from circulating "any reports, written or printed, as to the financial condition of life and fire insurance companies, banks and trust companies."

The recent agitation in insurance circles at least makes the bill explicable from the standpoint of the companies interested; but it is difficult to see why the banks and trust companies are included. We do not believe there is a bank or trust company in the State that would publicly support this measure. It should be noticed that the prohibition applies to all reports, favorable as well as unfavorable.

Perhaps the bill may have been introduced by a practical joker. This would be the most reasonable view to take were it not for the suspicious character attaching to a number of measures that have been before the New York Legislature during the late session. The bill has an extremely ugly aspect; for if the insurance companies and the banks and trust companies are to be placed beyond the pale of honest criticism by legislative enactment instead of by the clean and able character of their management, the next step will be a law placing all corporations in the same category.

Of course there are constitutional provisions which render all such proposals as this wholly farcical, but nevertheless the attempt to enact such a foolish law can not be viewed with indifference. If any of the corporations named are seeking to Russianize any section of the American press, they will be guilty of a gigantic blunder. As individuals can not be essentially harmed in their character except by their own acts, so these corporations may rest secure, provided their management is clean. If it is otherwise, legislative enactments will not save them.

It is not believed that the banks and trust companies of the State of New York are asking any such protection as would be furnished by the bill introduced by Mr. Riordan. Their condition is so sound that they welcome publicity, instead of fearing it. While insurance circles have been somewhat disturbed of late, it can hardly be believed that the demand for a law of the character named has proceeded from this source.

The management of all quasi-public corporations is a fair subject of criticism by the press, irrespective of the capital of the publishers. But, on the other hand, publishers should be held to strict accountability, and this is already assured by existing laws.

Unrest and apprehension seem to be inseparably associated with the activities of modern business and political life. Congress has adjourned, removing for a time the possibility of disturbing influences from that quarter, and the surplus energies of the President have been diverted from attacking wealth to hunting wolves and bears in the West, but still the business world is to be subjected to the menace of violent upheaval.

The disquieting information to which we allude comes from Frank W. Mahin, United States consul at Nottingham, England, who says:

"It has long been asserted that gold exists in a state of solution in the sea, and that in the many attempts to extract it some has been collected and precipitated, but it is admitted that failure has attended every effort at extraction on a commercial basis. The announcement is now made, however, that a new process has received the sanction of no less a person than Sir William Ramsay, professor of chemistry in University College, London, officer of the French Legion of Honor, corresponding member of the Institute of France, member of scientific and philosophical societies in nearly every civilized country, and the author of numerous scientific papers and treatises. The new process is patented, but no further description of it is given than that it 'bears a certain resemblance to the treatment adopted in the mines of the Witwatersrand' (South Africa)."

Whether the gold in the sea exists as one of the natural elements of sea water, or whether it has found its way there through the slow process of attrition and absorption, or whether the treasures of Captain Kidd and other like heroes of a bygone time have been dissolved by the waters of the ocean—these and some other details are left to conjecture. But an added interest is lent to the report by the air of mystery surrounding it, as may be seen from the following extract:

"It is said that a syndicate, whose title and address are not given, has been quietly picking up favorable sites on the English and Irish coasts,

and has now acquired rights over some fifty miles of foreshore. The securing of extensive foreshore rights is necessary because the sea water must be absolutely pure to obtain the best results from the new process."

There is nothing positive; but "it is said that a syndicate, whose title and address are not given," etc. Very likely the members of the mysterious syndicate without a local habitation and a name fear that their secret process, or perhaps some of the gold, might be gobbled up by envious rivals if the whereabouts of these modern Jasons were revealed.

Mr. MAHIN, however, valiantly tries to fortify us against the onsweep of the vast flood of gold that shall pour over the world when the process of extracting the metal from the salty deep shall be perfected. He goes on to say:

"Some forty years ago active experiments began which showed that gold in minute quantities was dissolved in many rivers and streams. and later on a measurement of gold in sea water placed the amount at about a grain in each ton of the water. A grain of gold being worth about four cents, and the tons of water in the ocean being placed at 60,000,000,000,000, it staggers the mind to attempt to compute in dollars the prodigious total value of the gold in the ocean."

To those who are accustomed to read the aggregate capitalization of modern corporations, these figures, while large, do not create that sense of mental paralysis which Mr. MAHIN's language implies. The total amount in dollars would be only $2,400,000,000,000. Any alarm that may be occasioned by the sudden appearance of so much new money will be allayed by the reflection that it must come upon us more or less gradually; possibly no more than a few trifling hundred billions being thrown into the money market immediately. Consul MAHIN says on this point:

"Should the new process do all that its friends sanguinely claim for it, gold would almost become a drug on the market; but it is considerately remarked that 'it would obviously not serve the interests of the syndicate to secure gold in greater quantities than the market could absorb. Moreover, the firm of financiers whom we believe to be mainly concerned in the developments is far too deeply involved in high finance to engage in any operations which would have an unsettling effect upon the currency.'"

This is comforting, but exceedingly vague. Moreover, is there any real assurance that these financiers may not conclude at any time that they are less interested in maintaining a stable currency than they are in converting 60,000,000,000,000 tons of sea water into $2,-400,000,000,000 in gold? The temptation might shake the soul of one more resolute than a high financier is supposed to be.

But there is still some hope that the situation is not so threatening as might be supposed, for Mr. MAHIN continues:

"Many newspapers express skepticism and distrust of the new scheme and doubt if Sir William Ramsay's 'indorsement' really amounts to more than testimony to the efficiency of certain apparatus that may have been submitted to him. So far, however, Sir William does not seem to have directly spoken on the subject; but it must also be said that no one for him has directly denied that he indorses the new process."

The concluding part of this statement preserves the air of uncertainty befitting so gigantic an undertaking. Perhaps, after all, it may be best to prepare for the worst.

One result of this enormous addition to the world's gold stock will be to greatly enlarge the size of the imaginary cube which Coin's Financial School constructed for the edification of an imaginary audience in Chicago some years ago, and which came very near carrying the country for free silver. Reduced to this concrete shape, the entire world's stock of gold appeared to be so small that many people were convinced that it did not afford a sufficient monetary basis. Should the dreams of these marine Monte Cristos be realized, gold will become a cheaper metal than silver, unless in the meantime some one devises a scheme for extracting the latter metal from the lining of clouds.

A few years ago a reverend gentleman in Boston had a plan for getting gold from sea water. He found, however, that it was easier and more profitable to get it from the pockets of confiding investors in his scheme.

THE TREASURY DEFICIT continues to increase, the deficiency of receipts over expenditures for the month of April being $9,236,818, and for the ten months of the fiscal year, $33,714,956. In his last annual report the Secretary of the Treasury estimated that the deficiency for the fiscal year ending June 30 next would be $18,000,000. While the receipts are running behind the expenditures, the available cash balance is large enough ($133,000,000) to provide for the deficit for some time to come. There is also a sufficient amount of gold in the general fund ($63,000,000) to prevent any apprehension regarding the ability of the Treasury to take care of the legal-tender notes without a resort to a bond issue. Of course, the amount named is in addition to the $150,000,000 special reserve fund held to maintain the convertibility of the greenbacks.

Although the deficiency in the revenues is not a matter of serious present concern, it may serve to call attention to the complex relations which the Treasury bears to the business interests of the country. The influences exercised by the management of the nation's finances are far-reaching and of continuously growing importance.

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

STATE STATUTES RELATING TO TRUST COMPANIES—*Continued.*

OREGON.

There are no laws relating to trust companies. The general laws provide that three or more persons may incorporate "for the purpose of engaging in any lawful enterprise, business, pursuit or occupation."

(Bellinger and Cotton's Annotated Statutes, Title XLI, chapter 1, § 5052.)

PENNSYLVANIA.

Although this State contains more trust companies than any other, and rivals New York in the early development of such corporations, its statutes relating to corporations doing the business of a trust company are in great need of revision and codification. The number of sections of the statutes relating to trust companies by name is very small. Most of the ordinary powers of trust companies are enumerated in the statutes relating to title insurance companies.

The specified powers of such companies are: To do a title insurance business; to receive and hold on deposit and in trust and as security, estate, real and personal, including the notes, bonds and obligations of States, individuals, companies and corporations, and the same to purchase, collect, adjust and settle, sell and dispose of in any manner, without proceeding in law or equity; provided, that nothing herein contained shall authorize said companies to engage in the business of banking; to do a fidelity insurance business; to do a safe deposit business; to act as assignees, receivers, guardians, executors, administrators, "and to take and receive and execute trusts of every description not inconsistent with the laws of this State or of the United States;" to receive deposits of moneys, and to issue their obligations therefor; to invest their funds, other than funds committed to their care by the orphan's court, in and to purchase real and personal securities, to loan money on real or personal security, and to invest funds committed to their care by the orphan's court in such securities as shall be approved by such courts; courts into which moneys are paid or are to be placed by order or judgment, may direct same to be deposited with any such corporation; to act as fiscal or transfer agent or registrar; to become sole surety in any case where, by law, one or more sureties may be required for the faithful performance of any trust or duty; to hold any and all such pieces of real property as may be the subject of any insurance made by such companies under the powers conferred by their charters, and the same to dispose of in any manner they see proper; "to purchase and sell real estate and take charge of the same;" to become security for the faithful performance of duty in several cases specified and to become security for other pur-

* Publication of this series of articles was begun in the January, 1904, issue oft he MAGAZINE, page 31.

poses named in the statute; provided that before exercising any of the above-mentioned powers, such corporations shall have a paid-up capital of not less than $125,000. When acting in fiduciary capacities the capital of such companies shall be taken as the security required by law for the faithful performance of duty, and shall be absolutely liable in case of default. Persons holding fiduciary appointments may deposit the securities or other valuables for safe keeping with such companies. Courts making fiduciary appointments to such companies may have the companies examined. Trust funds and investments must be kept separate from the assets of the company, and investments made by the company as fiduciary must be so designated as to clearly show to what trust they belong. The powers of doing a safe deposit business and of acting as fiscal or transfer agent or registrar are given to all companies incorporated under the laws of the Commonwealth "which are by their charters authorized to act as trustees, receivers, assignees, guardians and committees." Such companies may increase their capital stock to an amount not exceeding $2,000,000.

Previous to 1873 trust companies in the State were incorporated by special acts of the Legislature, but the constitution of that year forbade such special charters in the future. No provision for the incorporation of such companies under general law was made until 1881.

Trust companies are under the supervision of the Commissioner of Banking. They must render to him not less than two reports each year, according to the form prescribed by him, and within five days (unless he extends the time) after the receipt of a request therefor from him. He may also call for special reports. Summaries of the reports must be published in a local newspaper at least three times. It is the duty of the Commissioner of Banking to examine such companies as often as he shall deem proper. If unsafe conditions are revealed, he must notify the Attorney-General, who shall institute proceedings for the appointment of a receiver; or, if the conditions seem to make it necessary, the Commissioner may appoint a temporary receiver. No director of such a company shall receive as a loan an amount greater than ten per cent. of the paid capital and surplus; and the gross amount loaned to all officers and directors of such corporations, including concerns in which they are interested, shall not exceed twenty-five per centum of the paid capital and surplus. Such companies may not loan on their own stock; nor shall they purchase same, unless to prevent loss on a debt previously contracted in good faith, in which case the stock so purchased shall not be held for a longer period than six months, "if the same can be sold for what such stock cost the corporation." Trust companies may renew or extend their charters for a period of twenty years on complying with the provisions of the law of May 10, 1889.

(Laws of June 11, 1885, §§1, 2, 3; May 9, 1889, §1; May 10, 1889, §1; Feb. 11, 1895, §§1, 2, 7, 9; June 24, 1895, §1; June 27, 1895, §§1, 2; May 29, 1901; June 14, 1901; April 21, 1903 (art. 162). The Title Insurance Company laws are found in Pepper and Lewis's Digest, Vol. 3 (Supplement, 1894–97), chapter 12, §§ 90–109).

Rhode Island.

Trust companies in this State are incorporated only by special act of the Legislature. The powers and limitations of such corporations are specified

in such special charters. There are but few general laws regarding trust companies. For purposes of taxation, they are required, the same as Savings banks, to make return to the State Auditor on a certain day between the fifteenth days of November and December of each year, designated on some subsequent day by the State Auditor. The latter must have 500 copies of abstracts of these reports printed and distributed to specified State officials, town officials, and to each bank and institution for savings in the State. Every trust company incorporated by the State must annually pay to the general Treasurer forty cents on each hundred dollars of deposits. Guardians are authorized to deposit the funds held in trust by them in any Savings bank or trust company in the State.

(Banking Laws, 1898, chapter 29, § 2; chapter 179, §§ 8 and 9; chapter 196, § 39.)

South Carolina.

Trust companies in this State are incorporated by special act of the Legislature, such special charters defining the powers and limitations of such corporations. The only general law regarding trust companies is found in the Laws of 1903, No. 37. Any banking corporation or trust company, with a *bona fide* capital of at least $25,000 actually paid in, if so authorized by its charter, may be appointed executor, administrator, receiver, assignee, guardian (of the estate only, not of the person), trustee for the care and management of property, "under the same circumstances, in the same manner, and subject to the same control by the court having jurisdiction of the same, as a legally qualified person." The capital and stockholders' liability are held as security for the faithful performance of duty, and no surety shall be required upon bonds filed by such company, except that the court making any of the above-mentioned appointments, save that of a trustee, may, upon application of an interested person, require such additional security as the court considers proper.

South Dakota.

Grantham's Annotated Statutes, 1901, § 3812, provides that among the purposes for which corporations may be organized are those of conducting "banks of discount and deposit, and for loan, trust and guaranty associations." The only other specific mention of trust companies in the statutes is found in sections 4204 and 4205, which relate to the exercise of powers as surety on bonds by foreign trust companies. Such foreign trust companies may act as surety on bonds in the State, provided that they file with the Secretary of State a copy of their articles of incorporation, a statement of their financial condition, and appoint an agent residing in the State, and satisfy the Secretary of their trustworthiness. They must report to the Secretary of State annually. Domestic trust companies, if they receive deposits or buy and sell exchange, must report to the Public Examiner, who is *ex-officio* Superintendent of Banks, according to the form prescribed by him, at least four times a year, and such reports must be published in a newspaper. Such companies must be examined by the Public Examiner at least twice a year.

(Laws 1903, chapter 79.)

Tennessee.

Act 168 of the Acts of 1883 provides for the organization of banks, "said banks to be invested with authority, if the banking company or corporation

so chooses, to couple with the ordinary business of banking a safe deposit and trust company." Such banks must have five or more directors. Their powers specified are: ordinary banking; safe deposit business; to guarantee the payment of bonds and mortgages; to do a title insurance business, and "to accept and execute all trusts of every name and kind which may, with its consent, be imposed upon it by any person or corporation, whether the trust be that of guardian, executor, trustee, the committee of the estate of a *non compos mentis*, or any other trust, the said corporation being hereby invested with the power to act in such fiduciary capacity as fully as if the corporation were a person in being." Such corporation must be organized like other corporations, and must publish a statement in a local newspaper every six months. (Shannon's Code, 1896, §§ 2090–2105.)

Chapter 44, Acts of 1901, provides that trust companies must, in July and January of each year, or within thirty days thereafter, publish in a newspaper in the county a statement of financial condition as of June 30 and December 31, respectively, next preceding. The form of this statement is to be determined by the Comptroller of the State.

Chapter 377, Acts of 1903, makes more detailed provisions regarding trust companies. Banks in counties of population from sixty to ninety thousand, organized for the purpose of conducting a savings, safe deposit and trust banking business, with a capital of $100,000 or more, "may be appointed to accept and execute trusts and agencies of any kind and character whatsoever," to which they may be appointed by persons, corporations, public or private, or courts. The courts are specifically authorized to appoint a trust company executor, administrator, guardian (of estates only, not of persons) of infants, idiots, lunatics and other persons of unsound mind, receiver, commissioner, assignee or trustee for any person, firm, association, etc., attorney in fact or agent for the transaction of any business, management or sale of any property whatsoever, "in the same manner and to the same extent as natural persons." The capital of such companies shall be taken as the security for faithful performance of duty required by law, and no other security need be required, except in the discretion of the courts. Such corporations may act as depositories for public funds and for funds in charge of persons acting in fiduciary capacities.

Trust funds must not be included in the assets of the company. They may be invested in bonds of the United States, of Tennessee and the other States, first mortgage bonds of any railroad, bonds of any county or municipal corporation, provided such bonds be worth par or more and have regularly paid dividends of not less than four per cent. for the five years preceding, or in first mortgages on real estate appraised at least twice the amount loaned thereon, such mortgages to run for not more than ten years. The designation of an attorney in a will, and the right of heirs to select an attorney must be recognized. When acting as guardian, such company need render statements only every two years, instead of yearly, as is required of natural persons so acting. The fees which may be charged for services in certain fiduciary capacities are specified in the statute.

CLAY HERRICK.

(To be continued.)

A PRACTICAL TREATISE ON BANKING AND COMMERCE.

GENERAL QUALIFICATIONS OF A BANK DIRECTOR.

Proceeding to the general characteristics that should be sought for in the director of a bank, it may be said that:

(1) A bank director should be, in the first place, a *man of means*. The law itself prescribes this, to a certain extent, for it orders that the director must hold a certain amount of stock, the amount being proportioned to the capital of the bank. But the prescribed amount is small compared with the responsibility of the office, and it might, with advantage, be largely increased, and doubled or trebled in the case of an ordinary director, and quadrupled in the case of a President. But even then a man would be thought poorly qualified to direct the affairs of a bank whose means did not extend beyond such a minimum as that. The *amount* of wealth implied in the term "man of means" should be such as gives a man importance and standing in the community, and causes him to be looked up to by the people generally as a man of capital and substance.*

It would be well, as a rule, in selecting men of wealth for directors to give preference to such as have been the architects of their own fortune. There are exceptions to this, of course; but it will be found, as a rule, that such men know the value of money better, how it is gained, and how it is lost, what is safe and what is not. A man who has made a success of his own business is likely to be able to direct other affairs successfully.

(2) A bank director should be a man of *character*, respected in the community he has lived in, with good antecedents and connections, a man of whom it could be said "that his word is his bond." He should have a character, too, for good judgment, prudence and common sense; such, for example, as would be made a trustee of an estate, or executor under a will. If he is a director in one or more trading corporations or in an insurance company, it will be all the better, as evidencing that other men think well of him and can work with him in positions of responsibility.

(3) A bank director should be, as a rule, a man of *influence;* that is, he should be able to influence others, and therefore to influence business to the bank. There are in every commercial centre men of both means and character, who are so wrapped up in their own concerns as scarcely ever to mingle with their fellows; commercial recluses in fact, who know a mere nothing of commercial affairs in general. Such men, as a rule, would make

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* In using these words it should be remembered, that wealth and substance are relative terms. A man is looked upon as wealthy in a village, who would by no means be considered such in a town or city. Similarly, the wealthy man of the large town or small city would be accounted nothing of in London or New York. When, therefore, it is laid down, that a bank director should be a man of means, the measure of his wealth must be estimated according to the rule of the place where the headquarters of the bank are situated.

very indifferent bank directors. What is wanted in a bank director, amongst other things, is the power of *influencing business*, and the capacity for bringing good accounts to the bank.

(4) It is desirable that there shall be, on a bank board, men who represent and have connections in the leading lines of business in the country. The applications for loans from a bank come from men of different trades and occupations, and it is obviously useful to have, at least, one person on the board who has special knowledge of the trade carried on by the applicant. Such a one can give valuable hints to his fellow directors or a Manager with regard to accounts of people in that line of business: always under the condition, however, that they shall not be rivals of his own. In that case, his judgment would be apt to be warped.

(5) A bank director should be a man who can work in harmony with others. A cross-grained and self-opinionated man, a man who considers that all wisdom is centred in himself, and cannot bear contradiction, a man who is unable to "give and take" but must have his own way in everything, and at all times, is not suitable for a bank director. At the same time no man sitting at a bank board should be content to be a mere dummy, unable to give an opinion or to maintain it, giving way at the least sign of dissent, agreeing with everything and having no mind of his own about anything. A board composed of men of that kind could not *direct* anything.

(6) A bank director should be a man who can give sufficient time to the affairs of the bank to make himself acquainted with them generally, who can attend board meetings with sufficient regularity as to make his influence felt.

(7) A bank director, lastly, should be a good judge of the capacity of *men*, for a most important part of his duties is to make appointments to the higher offices.

A Bank Director's Duties.

Such being the qualifications of a bank director, it remains to be considered what may be counted as his *duties* and how they should be discharged; in fact, what a director should do, and what he should not do.

(1) It is clearly the duty of the directors to see that the officers of the bank, especially those of the higher grades, be men of proper capacity; also, to see that they are properly remunerated according to the general standard in such matters, and that proper provision is made for them in case of retirement in advancing years.

(2) It is above all the duty and province of the directors to see that the loans, discounts, and investments of the bank are made with due caution and in proper security. No attention to other departments of the business can atone for inattention to this. For in this lies the key to success or failure. It is the *one thing* to which all others are secondary. The directors, therefore, will see that all important transactions of that kind shall be submitted to them for consideration, saving only such small matters as may safely be left to the officers. They will also require statements to be laid before them at every meeting of all important transactions that have transpired in the interval. And to such statements they will give such attention as will enable them to have a clear apprehension of the business the bank is doing.

It has not seldom happened in the case of the failure of a bank that there were on its board of directors, men of conspicuous ability in their own line of business; and the question was generally asked, how was it that such men

could allow the bank to drift into such a position? They would never have dreamed of allowing their own business to become so involved; how was it they allowed it in the case of a bank at whose board they regularly took their place? It is no proper answer to such criticism to plead that they were not informed of the transactions by which losses had been sustained; still less that they had not time to examine statements put before them; least of all that they trusted all such matters to the Manager. There are undoubtedly numbers of matters that must be trusted to the Manager; and it cannot be pretended, that a board of directors shall be acquainted with the multitudinous small transactions that make up so much of the total business of the bank. But experience shows that as a rule it is not in the smaller transactions of a bank, that losses arise of sufficient amount in the aggregate to cause a bank to fail. It is invariably the case that the failure or embarrassment of a bank arises from the failure or embarrassment of a comparatively small number of its largest customers. The bank may have five thousand small customers whose transactions no board of directors can take effective cognizance of. But although there will *be an average* of losses from such transaction, the average will never be high enough to cause serious difficulty. But the same bank may have on its books twenty or thirty, or, in the case of a very large institution with widespread connections, forty or fifty accounts of considerable magnitude. It is within such a narrow circle as this that the storms of the banking world strike.

Now, it is plainly within the power of any board of directors to keep an efficient oversight over such a small number of customers as this. Amongst the circle of large customers, there will be, to a certainty, a proportion that practically do not require watching at all; firms of undoubted strength and capital, whose accounts are so conducted as to give evidence of their soundness. But there will almost certainly be a proportion to which directors should give close attention; make close enquiries of the Manager, and be ready to check any signs of irregularity, or what might lead to danger. It is with regard to this smaller circle that the directors should distinctly *not* leave everything to the Manager. For if they do, they can, very fairly, be held up to reprobation, if matters go wrong.

With regard to these, the directors should require constant and full *information*. Long and voluminous lists of comparatively small transactions it would be impossible for them to keep track of, unless they were prepared to spend the whole of their time at the bank. But any body of directors who take their duties and responsibilities seriously can keep track of this small number of accounts within the time that directors may reasonably be expected to give to the business. Not that they need never extend their observations beyond this circle. A director may well, at times, extend his observations over transactions of a second and third order of magnitude and particularly those with regard to which he has special knowledge. And beside this duty of individual directors it is desirable for the whole board, at times, to examine the whole business done at a certain branch, and if needful to give directions respecting it. By following this method the whole business of the bank can be brought under review at least once a year. But let it be repeated, the circle of important accounts should be before the directors, not once a year, nor even once a month, but constantly. For when a large firm or trading company begins to go wrong, it is apt to go wrong at a constantly accelerating pace. And its course may be something like that of runaway

horses—rapidly getting beyond control and rushing on to destruction. In one short month all this may develop, and if directors intermit their attention to large accounts, even for this period, they may awake to find that one of them has gone wrong to such an extent that an enormous loss is staring them in the face. It was one large account, rapidly developing mischief, that ruined the Royal Bank of Liverpool. Four large accounts brought the City of Glasgow Bank to the ground. Yet the hundreds, indeed it may be said, the thousands, of its smaller accounts, even of this bank, were on as good a footing as those of the rest of the Scotch banks. In this case, too, the course of deterioration was very rapid. The same may be said of the Western Bank of Scotland. And, referring to Canadian banks, one of the largest of them, the Commercial Bank of Canada, was ruined by one account, another by some six or seven, others by two or three.

It would be a desirable point of administration, for the directors of every bank to require to be laid on the table, at every meeting, a statement of all advances amounting to a certain sum and upwards, at all points; the amount of the minimum to be proportioned to the magnitude of the whole business. This should not be in too much detail, but in such a shape that it could be readily taken in and understood at a single sitting. If details are wanted in the case of any account, they could be called for and furnished by the General Manager at the next sitting.

It is needless to add that if the bank has large investments, such as considerable holdings of debentures and bonds, these should be examined and criticised by directors also. They generally consist of considerable sums of any one security, and may be looked over without a great expenditure of time.*

THE PRESIDENT.

In considering the qualifications and duties of directors, one of the most important questions is as to the position of the President or Chairman of the Board. With regard to this important matter wide differences prevail in banking practice. In England and Scotland, the presiding officer is, as a

*These observations are founded upon the theory that the board of directors should consist of men who are not only men of character and influence, but men who understand the business of the country, and also have a substantial interest in the bank. It is a fact within the author's knowledge, that in a certain great banking corporation that failed the directors collectively held no more stock than would have been considered much too small for any one of them to hold individually. This was before the present Banking Act was passed. Yet the capital of this bank placed it in the front rank of the banking corporations of the country. These directors, too, consisted almost wholly of men who had no practical acquaintance with business.

In another case of the failure of a great bank in the same part of the country, the directors were largely retired gentlemen or politicians. On one occasion when an important business account was under discussion by the Board, one of its members, a retired admiral of the British Navy, after the matter had been discussed for some time exclaimed, "Well, I can't express an opinion. I know how to sail a ship, but I'll be hanged if I know anything of such matters as this." One of the directors of this bank, almost the only commercial man amongst them, confined his attention to such small advances as his own business led him into connection with. These came to be referred to, at board meetings, as Mr. M.'s protegés. Needless to say, that the bank suffered no appreciable loss by this class of its business, whilst it was overwhelmed by the losses arising out of political and other loans of great magnitude.

rule, called not *President* but *Chairman of the Board.* He gives, as a rule, not much more time to the bank than the other directors, but is supposed as Chairman to represent the bank more perfectly before the public and also to give more special study to its affairs. But he does not sign statements; and in the reports of annual meetings his name, as a rule, has no more prominence than that of other directors.

In other cases, however, the Chairman (or President) gives more active and personal attention to the bank than his confreres; giving more or less of daily attendance; being ready, therefore, for any consultations with the Manager or for conferences with important customers. The Chairman, if he continues in office, year after year, as he may do, and giving a large part of his time to the affairs of the bank, may become almost a practical banker himself, and able to exercise an intelligent and capable supervision over every department of its business. This, however, presupposes that he shall be not only in daily attendance, but give as much time and attention to the bank as if he were senior partner in a firm. When a great private banking or commercial firm has assumed the form of a joint-stock company, it is natural that the late principal partner shall become not only the Chairman of the Board, but exercise the functions above described. In this case, the Manager or General Manager will have less importance than in the case of ' company that has been "joint-stock" from its foundation.

In the United States an entirely different order of things has gradually come to prevail, though it does not prevail universally even yet. But in a large majority of banks the President is a salaried officer of the institution, performing the same duties as the Manager or General Manager of an English or Canadian bank. He is not a merchant or man of business, having a position in the community irrespective of his position in the bank, like the Chairman of an English board. He is a professional banker, and has generally passed through the grades and risen from the ranks, having been promoted, from one position to another, as other officers have been.

There are both advantages and disadvantages in this method. The advantages are that such a President carries more weight and authority in the bank's daily administration, by reason of his being a director. The disadvantage is, that he does not move about in the commercial community and acquire information as a commercial chairman of the board would do. This is a serious practical drawback. It is a disadvantage also to the man himself, that though a salaried officer, and his livelihood being dependent upon his continuance in office, he is subject to an annual election. There is this further to be said, that it is much more difficult for the rest of the board, in case of need, to criticise unfavorably the actions of one of their own number, than if he were simply an officer and not a director. And there is more danger, under such an arrangement, of matters being left wholly to the President and of his being allowed to administer the affairs of the bank without efficient check.

But some American bank Presidents are men who correspond to the English Chairman of a Board and who have large interests outside the bank.

In Canada, the position of President is somewhat midway between the English and the American position. He is always styled President, and not Chairman. And he signs statements and documents, especially the Annual Report to the stockholders. But he is in no respect a salaried officer, but a man moving about in the community, and having interests of a business

character or otherwise, apart altogether from the bank. He is always a man of position, and generally a man of wealth. Sometimes he has been the founder of the bank, and is the largest stockholder in it; naturally therefore being chosen President year after year. In this case he will have a somewhat dominating influence, overshadowing the other directors, and exercising more influence in the management than all the rest put together. This influence, moreover, is immensely increased by the fact that under the Canadian law votes at the annual meeting (when directors are elected) can be by proxy, and that it is an almost universal custom for such proxies to be given to the President. He thus carries the election of the Directors in his hand. These are well aware of it, and the fact cannot but affect their course of action. For the power that proxies give is no mere nominal one in practice. It has more than once happened in Canadian banking, that some director, having given umbrage to the President, has found himself rejected on the day of the annual meeting, much to his surprise and annoyance, solely by the President's proxies. Such a President is apt, at times, to assume functions that properly pertain to a General Manager; a condition of things that is generally detrimental to the bank's interest.

There have been, however, Presidents in Canada who corresponded much more closely to the American officer of that name. But these have invariably been men of exceptional ability and experience, who have been General Managers, and were given the title and position of President as a matter of honor, without the smallest difference being made in their duties or remuneration.

Committees of Directors.

In some banks, especially those of great magnitude and widespread interests, it is customary for one or more *committees* of the board to be formed, each committee having a supervision over certain branches or of certain departments of the business. It cannot be considered a desirable plan, as it tends to divide the interests of directors and prevent their having an intelligent comprehension of the whole. It can never be forgotten that every director is responsible to the stockholders for every part of the bank's administration and that it would be no proper answer for a director in case of heavy loss or disaster to say that it did not occur in his department. On the other hand, a small committee consisting of—let us say—the President, the Vice-President, and another member of the board, may sometimes be formed into a *committee of reference.* This plan, however, will only work when the members of such a committee agree to give, and do actually give, more time to the business than the rest of the board. But all such arrangements for committees are apt to work disadvantageously because of their tendency to shift responsibility from the General Manager and to prevent his exercising the full measure of his capacity in his office. Every benefit that could reasonably be expected from such a committee would be attained by frequent meetings of the board, say, twice a week, and by making it the interest of directors to attend. A daily meeting, which has been practiced in some cases, is apt to degenerate into an occasion for talking politics or gossip.

Local Directors.

These are authorized by the Banking Act, but the law gives no power of management, and places no responsibility upon such directors, though they may be of great service in distant branches, provided they are men who can influence business, or give useful information to the Manager. The best local director to be found will sometimes be the solicitor of the bank, provided he has no other interests.

G. H.

(To be continued.)

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

CHECKS—BONA FIDE PURCHASER—NOTICE OF DEFECTS.

Supreme Court of Vermont, January 26, 1905.

CAPITAL SAVINGS BANK AND TRUST CO. *vs.* MONTPELIER SAVINGS BANK AND TRUST CO.

Where a check sued on by an indorsee had been obtained from defendant by fraud, the burden was on plaintiff to show that it took the check in the usual course of business, for a valuable consideration, without knowledge of facts impeaching its validity between the original parties, and without knowledge of facts or circumstances which would lead a careful and prudent man to suspect that it was invalid.*

The payee of a check, which had been obtained from defendant by fraud only four days before the transfer of the same to plaintiff, had perpetrated a fraud on plaintiff by procuring it to discount a forged note, and had previously defrauded plaintiff by procuring it to discount another note on which the name of a surety had been forged, etc., the check being transferred to plaintiff in payment of one of such notes. Held, that such facts justified the court in refusing to find that plaintiff was a bona fide holder in the usual course of business.

This action was brought on a bank check for $1,000 issued by the defendant to W. R. Harkness, and by him indorsed to the plaintiff. The check was obtained by Harkness from the defendant by fraud, and was invalid as between Harkness and the defendant. The plaintiff claimed to recover as a bona fide purchaser for value, without notice of the fraud.

START, *J.*: The court failed to find that the plaintiff, as a careful and prudent concern, had no reason to suspect, when it took the check, that it was invalid as between the original parties thereto, and rendered judgment for the defendant to recover its costs. To the failure to find that the plaintiff had no reason to suspect that the check was invalid between the original parties, and to the rendition of judgment for the defendant, the plaintiff excepted. No other questions are reserved, and these only will be considered.

The check having been obtained by Harkness from the defendant through the fraud of Harkness, it was invalid as between the original parties thereto, and the burden was on the plaintiff to show that it took the check in the usual course of business, for a valuable consideration, without knowledge of facts which impeached its validity as between the original parties, and without knowledge of facts or circumstances that would lead a careful and prudent man to suspect that the check was invalid as between the antecedent parties. (Roth vs. Allen, 32 Vt. 125; Gould vs. Stevens, 43 Vt. 125; Savings Bank vs. National Bank, 53 Vt. 82; Bank vs. Adams, 70 Vt. 132; Bank vs. Baxter, 31 Vt. 101.)

*This is not the rule in States which have adopted the Negotiable Instruments Law. That law (section 95, New York Act) provides as follows: "To constitute notice of an infirmity in the instrument, or defect in the title of the person negotiating the same, the person to whom it is negotiated must have had actual knowledge of the infirmity or defect, or knowledge of such facts that his action in taking the instrument amounted to bad faith." (See also Hamilton Nat. Bank vs. Upton, reported in this number.)

In Bromley vs. Hawley, 60 Vt. 50, it is said that the purchaser of negotiable paper must exercise reasonable prudence and caution in taking it, if the circumstances are such as ought to excite the suspicion of a prudent and careful man as to the validity of the paper as between the parties to it, or the propriety of the transfer, and the purchaser takes it without inquiry, he does not stand in the position of a bona-fide holder, but in the position of the party from whom he takes it, though he may have paid value for it. The question of whether the plaintiff, as a careful and prudent concern, had no reason to suspect, when it took the check, that it was invalid as between the antecedent parties thereto, was a question of fact for the determination of the trial court; and, that court having failed to find this fact in favor of the plaintiff, the plaintiff failed to establish a fact essential to its right of recovery. In the circumstances shown by the findings, it cannot be said as a matter of law that the plaintiff was not put upon inquiry respecting the validity of the check as between the original parties thereto.

It is found that at the time the plaintiff took the check its officers knew that Harkness was not responsible, and would not loan money upon his credit; that on March 6, 1903, Harkness procured the check of the defendant, and on the same day transferred it to the plaintiff; that on the 2d day of the same month Harkness had procured a note to be discounted by the plaintiff for $300 on which the name of the surety and the approval of the plaintiff's President were forged; that on the same day Harkness admitted to the plaintiff's President that he forged the approval and the name of the surety, and asked the President what he was going to do about it, and, without telling him, the President asked him what he was going to do about it, and intimated that he had better fix it up, and asked him if he could not pay back the $300 he had received on the note; and when Harkness paid this note on March 6, 1903, out of the check in question, the plaintiff's President said to him, "Go, and do so no more." These and other facts and circumstances, which appear in the findings, were for the consideration of the trial court, and its failure to find that the plaintiff, as a careful and prudent concern, had no reason to suspect, when it took the check, that it was invalid as between the original parties thereto, will not be reversed in this court.

The view we have thus taken of the conclusiveness of the findings and failure to find by the court below is sustained by the holdings of this court upon the facts reported in Roth vs. Allen, Bank vs. Adams, and Gould vs. Stevens, before cited.

In Roth vs. Allen it is said that the question whether the holder of current negotiable paper has taken it with or without notice of defenses between prior parties, whether he has exercised good faith in the transaction, or has been guilty of negligence or want of proper caution, are always questions of fact to be submitted to and determined by the jury. All the circumstances attending the transaction, the condition of the several parties, and all other facts that bear upon such an issue, are only evidence for the jury to weigh in deciding it.

In Bank vs. Adams this court, in holding that the plaintiff's motion for a verdict was properly denied, quoted with approval the rule given in Roth vs. Allen.

The plaintiff insists that it is entitled to a judgment on the facts found, and relies upon the cases of Bank vs. Goss, 31 Vt. 315, and Bromley vs. Hawley, 60 Vt. 46. But the facts as reported in those cases are unlike those in the case at bar.

In Bank vs. Goss the defendant Goss procured the defendant Page to sign the note in suit for the purpose of enabling Goss to obtain a loan at the bank in the usual course of business. At the time the note was signed it was agreed by Goss that he would not use it unless he could also procure the signature of one Brown upon it. Goss, in violation of this agreement, procured the plaintiff to discount the note without the signature of Brown. Neither the bank nor any of its officers had any knowledge or notice of the alleged agreement. In Bromley vs. Hawley the trial court rendered judgment for the plaintiff, and this court said that the fact that the note was overdue, that it amounted to $4,000, that it had different numbers on it—

one placed there by the maker and the other by the bank—were not sufficient to put the plaintiff upon inquiry, it appearing that he took the note in good faith, and that the party with whom he negotiated was a man of extensive business, and his character and financial standing high; and in so doing quoted with approval the rule, herein referred to, respecting the duty of the purchaser of negotiable paper. In the case at bar the plaintiff, in negotiating for the check, was dealing with a party known to it to be irresponsible, and a forger. Harkness had only four days before perpetrated a fraud upon the plaintiff by procuring it to discount, as genuine, a note for $300, on which he had forged the name of the surety, and the approval of the plaintiff's President. Also the plaintiff, in negotiating for the check, was dealing with a party who had before defrauded the plaintiff by procuring it to discount, as genuine, a note for $1,700, to which the party had forged the name of a surety appearing thereon; and it is found that at the time of the transfer of the check the plaintiff's President had reason to suspect that the name of the surety on this note was forged. In view of these and other facts and circumstances appearing from the findings, a court might well consider that the plaintiff's officers knew of the fraudulent and dishonest methods resorted to by Harkness to obtain money and credit, that they had reason to suspect that the check was obtained from the defendant by the same methods, and hesitate to find that the plaintiff had no reason to suspect that Harkness had procured the check from the defendant by fraud.

In these circumstances it cannot be said that the equities are with the plaintiff, or that it is entitled to recover the amount of the check notwithstanding the failure of the court to find that it had no reason to suspect, when it took the check, that the same was invalid as between the original parties thereto.

The case of Ormsbee vs. Howe, 54 Vt. 182, 41 Am. Rep. 841, was for the benefit of one Healy, who purchased the note, before due, of one Preston, the payee. The note was given in settlement of a fraudulent debt, and was wholly without consideration. The case was tried by the court, and it found that Healey had such knowledge in regard to the way in which orders and notes for wire were obtained by Preston that he might reasonably expect that the note in suit was obtained in the same manner. Notwithstanding this finding, the trial court rendered judgment for the plaintiff to recover on the note, but this court, on the finding, reversed the judgment, and rendered judgment for the defendant to recover his costs.

Judgment affirmed.

USURY BY NATIONAL BANK—APPLICATION OF PAYMENTS.

SECOND NATIONAL BANK OF RICHMOND *vs.* FRITZPATRICK.

Court of Appeals of Kentucky, February 10, 1905.

Where a National bank sought to recover a debt and usurious interest, and defendant prayed a forfeiture of all interest, as authorized by the statute, and a judgment in favor of the borrower was affirmed on appeal in so far as it declared a forfeiture of interest, the bank, on a new trial being ordered on other grounds, was not entitled to file amended petitions relinquishing its claim to all usurious interest.

Where a borrower from a National bank under a contract providing for usurious interest made no specific appropriation of a payment to interest, the bank had no right to appropriate any part of such payment to the interest account, but was required to apply the same in extinguishment of the principal.

This was an action by C. N. Fitzpatrick against the Second National Bank of Richmond to recover a penalty for taking usury, consolidated with two actions by the bank against Fitzpatrick and others on certain notes.

Barker, *J.*: This is the second appeal of this action. The opinion of the court on the first is found in 111 Ky. 228. The ample statement of the facts therein renders it unnecessary to repeat them here. All of the questions of law decided on the former appeal are res adjudicata on this.

Upon the return of the case to the circuit court the bank offered to file amended petitions in two of the three consolidated cases which were in-

volved on the first appeal, the purport of which was that it sought to relinquish its claim to all usurious interest contained therein. The court refused to permit these pleadings to be filed, but allowed them to be marked "tendered," and made a part of the record, to obviate the necessity of a bill of exceptions.

It is now contended by the bank that the court erred in this ruling, and that until final judgment it had the right to what it denominates a "locus pœnitentiæ." Conceding, for the present, that the bank may, at any time before final judgment, relinquish the difference between the lawful rate of interest and the usurious rate actually charged, and thus prevent a forfeiture of the whole under the Federal statute, we think this offer comes too late. In this case the bank sought a judgment for its debt and usurious interest. The defendant filing an answer, pleading the statute, and praying for a forfeiture in accordance with its terms. This prayer was granted, and a judgment of forfeiture entered. From this judgment the bank appealed, and, while the case was reversed for another reason, it was approved in so far as it forfeited the whole interest; the court upon this question using the following language: "The lender is forbidden to contract for interest at the illegal rate, and by such a contract, though unexecuted, forfeits the entire interest carried in the note." This language leaves no room for a locus pœnitentiæ.

The case of Talbot vs. Sioux City First National Bank, 185 U. S., opinion, at page 179, does not, when correctly understood, support the right of the bank to relinquish the usury and recover the principal with lawful interest, although there is some general language in the opinion, which, if disassociated from the real issue before the court, might appear to afford a basis for this conclusion.

In that case the bank had loaned money in Iowa at a usurious rate. It brought suit to enforce its claim, and the borrower, erroneously supposing that he could not plead the Federal statute authorizing the forfeiture, pleaded the State statute, which forfeited only the excess over the lawful rate. His plea for a forfeiture, as presented, was sustained by the State court, which awarded judgment for the principal and lawful interest. Upon this judgment execution issued, which was levied upon property of the borrower, and, this being sold, the proceeds were paid into court, and withdrawn by the bank in satisfaction of its judgment. Thereupon the borrower, concluding that he had now paid usurious interest, brought an action under the Federal statute, seeking, not a forfeiture, but to recover the penalty of double the sum paid, as authorized by the Federal statute. Upon appeal to the Supreme Court it was held that no usury had been paid; that in the original case in the State court the borrower had, by his own action, procured the purging of all usury from the bank's claim; that according to the tenor of his own prayer a judgment had been awarded only for the principal and lawful interest; that when he afterwards paid his judgment he paid no usury.

This is all that was involved in that case, and the opinion in no wise warrants us in overriding the plain letter of the statute, which provides: "The taking, receiving, reserving, or charging a rate of interest greater than is allowed by the preceding section, when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carried with it, or which has been agreed to be paid thereon." The trial court ruled correctly in refusing to permit the amendments as tendered to be filed after the return of the case from this court.

The only question involved in the former appeal left open was the proper application of certain payments upon the two notes upon which suits were instituted by the bank. It is said in the opinion: "There remains the question of the application of the payments upon the two notes upon which suit was brought by the bank. Certain of these payments appear to have been specific payments of interest, as such, by the debtor, accompanied by a renewal of the obligation for its face. Others of the payments, however, appear from the evidence to have been general payments to the bank, with no application by the debtor, except in so far as such application may be presumed by law, or from his supposed acquiescence in the bank's mode of keeping its books, to which he did not have access. As we

have held, there is no such presumption of law, and we do not think the debtor can be presumed to have made an application of his payment to interest, as such, from the fact that the bank so applied the payments on its books without his knowledge."

In carrying the opinion of this court into effect, the trial judge allowed three payments to be credited upon the principal. Of this the bank complains, claiming that a part of each of these was made on the interest due, and that this part ought to be disallowed as a credit, and the borrower relegated to his remedy under the Federal statute for the double penalty.

The rule announced in Marion National Bank vs. Thompson, 101 Ky. 277, and followed in the first opinion in this case, on the subject of partial payments on usurious contracts of National banks, so far as pertinent to the question in hand, is that, if the debtor specifically applies the payment, or any part of it, to the interest account as such, to that extent his right to a forfeiture is merged in his greater right to sue for the double penalty authorized by the Federal statute where usurious interest is paid; but, if no specific appropriation is made by the debtor, then the lender has no right to appropriate any part of the payment to the interest account, but it must be applied to the extinguishment of the principal; and these principles are in line with the adjudications of the Supreme Court upon this subject.

Examining the payments applied in the judgment to the extinguishment of the principal of the debt involved here, we find the following question and answer contained in the deposition of C. N. Fritzpatrick (page 62 of the printed record): "Q. Did you ever pay any interest on that note [the larger note sued on] after it started? If so, when? A. On October 13, 1887. I paid the bank $1,011.05."

R. E. Turley, the Cashier of the bank, was questioned and made answer as follows (page 133 of the printed record): "Q. Was there any understanding between the bank and C. N. Fitzpatrick as to how the payments were to be applied at the time they were made? A. There was no understanding, except that they were made to pay interest. Q. How were the payments applied each time? A. They were applied to the payment of interest which had accrued on the notes. Q. What was done with the $1,011.05 payment, referred to, on October 13, 1887? A. $474.75 of this payment went to pay the interest on note of $6,036.80 dated August 31, 1886, and the balance of the payment of $536.30 went to pay the interest which had previously been added to the principal of this note. Q. Did the $474.75 represent the interest that had accrued on the note from the last renewal up to the time that the $1,011.05 was paid? A. It did."

Taking all of this evidence together, we conclude that $474.75 of the payment of $1,011.05 made October 13, 1887, was interest paid by the borrower as such, and that as to it the borrower was relegated by the statute to his remedy for double penalty for usury paid.

We do not think that the evidence supports the bank's contention that any further part of the payments credited by the judgment appealed from upon the principal of the debt was paid by the debtor as interest, and under the principles settled in the opinion on the first appeal, without this specific appropriation by the debtor, the lender had no authority to apply it in any other manner than was done by the court below.

For these reasons the judgment is reversed, with directions to credit the larger note with the sum of $536.30 as of October 13, 1887, instead of the sum of $1,011.05, credited by the judgment as of that date. In all other respects the acts of the circuit judge are approved.

MARRIED WOMAN AS STOCKHOLDER OF NATIONAL BANK—LIABILITY FOR ASSESSMENTS.

United States Circuit Court of Appeals, Fifth Circuit, January 24, 1905.

CHRISTOPHER, *et al. vs.* NORVELL.

A married woman, who was a stockholder in a National bank at the time it became insolvent, is subject to the statutory liability for an assessment made thereon, at least in the absence of any State statute disabling her from owning the stock in her own right.

PER CURIAM: The plaintiff in error, Henrietta S. Christopher, wife of John G. Christopher, was a stockholder in the First National Bank of Florida, and as such stockholder was liable under the statutes of the United States for the assessment made by the Comptroller of the Currency on the stockholders of said bank. (See sections 5151—5234, Rev. St. U. S. [pages 3465—3507, U. S. Comp. St. 1901].) Even if a defense on such line would avail the plaintiff in error, we find nothing in the laws of Florida disabling married women from owning in their own right stock in National banking associations and incurring the liabilities resulting therefrom. On the whole case we conclude there was no error in the judgment of the circuit court. (See Keyser vs. Hitz, 133 U. S. 139, 10 Sup. Ct. 290, 33 L. Ed. 531.) And we say, as said by the Supreme Court in that case: "But the question as to what property may be reached in the enforcement of such judgment is not before us, and we express no opinion on it."

The judgment of the circuit court is affirmed.

PROMISSORY NOTE—EFFECT OF INSERTING WORDS "WITH EXCHANGE."

Supreme Court of Kansas, December 1, 1904.

FIRST NATIONAL BANK OF GALVA *vs.* NORDSTROM.

Where a negotiable note is executed at one place and payable at another, the insertion of the words "with exchange" by the payee, without the knowledge or consent of the maker, does not render such note non-negotiable.

When a negotiable note is payable at a place different from where executed, the insertion therein of the words "with exchange" by the payee, without the knowledge or consent of the maker, is not a material alteration.

This was an action to recover on a promissory note. The cause was tried without a jury, and the court made special findings of fact and conclusions of law. It appears that the note in question was executed at Lyons, Kan., and payable at Marshalltown, Iowa; that the words "with exchange" were printed in the note; that before it was executed the maker erased these words, but after its delivery the payee, without the knowledge or consent of the maker, rewrote the words "with exchange." As a conclusion of law, the court found that this alteration was material, in that it rendered the note non-negotiable under the laws of the State of Iowa, where it was payable. Upon such findings of fact and conclusions of law, judgment was rendered for the defendant.

GREENE, *J.*: So far as the record discloses, there was no evidence offered tending to establish what the law of Iowa was in this particular. The courts of Kansas will not take judicial notice of the laws of a sister State, but will assume, in the absence of evidence to the contrary, that they are like our own. (Rogers vs. Coates, 38 Kan. 232; Furrow vs. Chapin, 13 Kan. 113; Dodge vs. Coffin, 15 Kan. 285; K. P. Ry. Co. vs. Cutter, 16 Kan. 570; Woolacott vs. Case, 63 Kan. 35.)

When a promissory note is made payable at a place different from the place at which it is executed, the insertion therein of the words "with exchange" does not make the note non-negotiable. (Clark vs. Skeen, 61 Kan. 526, 60 Pac. 327.)

It is not every alteration of a note that will defeat a recovery thereon. It must be such an alteration as will materially change the contract of the parties. The insertion of the words "with exchange" was not such an alteration. It did not in any way alter the legal effect of the instrument, or change the contract obligation of the parties. As stated, the note was executed at Lyons, Kan., and payable at Marshalltown, Iowa. It was a part of the contract of the maker to pay any expense, either of exchange or express, necessary to make the payment at the place mentioned in the note, and the insertion of the words "with exchange" was only a statement of what the contract itself implied. It did not render the note invalid, or discharge the maker from his liability thereon. (2 Daniel on Negotiable

Instruments, § 1389; Fuller and Another, Ex'rs, etc., vs. Green, 64 Wis. 159; Tutt vs. Thornton, 57 Tex. 35; Bullock vs. Taylor, 39 Mich. 137.)

The judgment is reversed and the cause remanded. All the justices concurring.

NEGOTIABLE PAPER—WHEN BANK DEEMED BONA FIDE HOLDER.

New York Supreme Court, Appellate Division, Fourth Department, January, 1905.

HAMILTON NATIONAL BANK *vs.* UPTON.

Carelessness or oversight is not the criterion by which the rights of a holder of negotiable paper are to be tested.

The holder's right cannot be defeated without proof of actual notice of the defect in title or of bad faith on his part evidenced by circumstances. Though he may have been negligent in taking the paper and omitting precautions which a prudent man would have taken, his title will nevertheless prevail unless he has acted mala fide.*

In an action brought to recover upon a promissory note made by the defendants, a firm of coal dealers in the city of Rochester, it appeared that the plaintiff was a National bank in Chicago and had acquired the note before maturity from one Kemper, a note broker; that the note which had been sent to Kemper to be sold for the defendant's account had been pledged by Kemper to the bank as collateral security for his own existing indebtedness to the bank. The officers of the bank had no information that Kemper was not the absolute owner of the note. They knew that he was a dealer in commercial paper and that he was reputed to be worth $25,000. They had previously discounted over thirty notes at his request and supposed him to be the owner of each of them.

It further appeared that one of the defendants called on the plaintiff bank with Kemper before the note in suit had been accepted by the bank; that at this time the bank held one note of $5,000 made by the defendants, and which Kemper had used as collateral, and another which the bank had discounted; that Kemper, in the presence of the said defendant, stated to the bank officers that if the bank at any time desired the money on either of these notes before maturity it should advise the defendants and the note would be taken up.

Held, that the court properly directed a verdict in favor of the plaintiff;

That the plaintiff was a holder for value, and that the circumstances surrounding the negotiation of the note were not so suspicious and unusual as to make the question of the plaintiff's good faith one of fact for the jury to pass on.

The plaintiff, a National bank in Chicago, acquired the note in suit before maturity of one A. L. Kemper, who was doing business in that city as a note broker under the firm name of A. L. Kemper & Co. The note was taken as collateral security to an existing indebtedness held by the bank against Kemper. This note of $2,500 and a similar note made by the defendants for a like sum were negotiated at the same time and the bank surrendered another note of the defendants which it had received from Kemper as collateral security for his indebtedness and the face value of which was $5,000. The defendants were co-partners engaged in the coal business in the City of Rochester, and Kemper had before negotiated notes for them. On August 7, 1903, they sent to Kemper & Co. six undated promissory notes aggregating $20,000, due at different dates in the month of January following, and which included the note in suit. These notes were sent pursuant to an oral arrangement made with Kemper and the letter contains the following instructions relative to their discount or use: "One is to take care of the one due on the 25th, one you are to send us proceeds for, and the others are for anybody who may want to purchase them."

Kemper had no authority to pledge this note as collateral security for his own indebtedness to the bank and the defendant contended that the circumstances surrounding the negotiation of the note were suspicious and unusual so that the good faith of the plaintiff was for the jury to pass upon.

SPRING, *J.*: The officers of the bank had no information that Kemper was

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*The Negotiable Instruments Law (Sec. 95, New York Act) provides as follows: "To constitute notice of an infirmity in the instrument or defect in the title of the person negotiating the same, the person to whom it is negotiated must have had actual knowledge of the infirmity or defect, or knowledge of such facts that his action in taking the instrument amounted to bad faith."

other than the absolute owner of the note. They knew he was a dealer in commercial paper. They had ascertained upon investigation that he was reputed to be worth $25,000. They had during the summer of 1903 discounted over thirty notes at his request, but supposed that he was the owner of each of them and there is nothing tending to discredit this position. The note was acquired by the plaintiff in October and the bank officers did not discover the lack of authority in Kemper until January. Even then the defendants in their telegrams and letters did not claim that the note had been diverted, only insisting that Kemper had money in his hands to pay it.

The plantiff is a holder for value. (American Exchange Nat. Bank vs. New York Belting & Packing Co. 148 N. Y. 698.)

In that case the defendant had delivered the note to a firm doing a brokerage business in commercial paper to be discounted for the benefit of the defendant. The brokers pledged the note with the plaintiff as collateral security for their own indebtedness and it was substituted for another note of the defendant, which was surrendered to the brokers. The court directed a verdict for the plaintiff, which was sustained by the Court of Appeals. That case is closely similar to the present one in its facts, and is decisive of every question involved in this appeal. In the present case there is nothing disclosed in the record to excite any suspicion of the conduct of Kemper at the time of the taking of the note by the plaintiff. Mr. Levis, one of the defendants, called on the plaintiff with Kemper in the summer or fall of 1903 and before this note was accepted by the bank. It then had one note of $5,000 made by the defendants and used as collateral for the benefit of Kemper, and one which it had discounted. The subject of these notes was talked over with the President and Cashier of the bank, and Kemper voluntarily made the statement in the presence of Levis that if the bank at any time desired the money on either of these notes before maturity to advise the makers at Rochester and it would be taken up. The defendants were vouching for the authority of Kemper, and the bank officers might well give credence to him after that manifest indorsement.

Carelessness or oversight is not the criterion by which tne rights of a holder of commercial paper are to be tested. As was said in Cheever vs. Pittsburg, etc., R. R. Co. (150 N. Y. 59, 66): "The holder's rights cannot be defeated without proof of actual notice of the defect in title or bad faith on his part evidenced by circumstances. Though he may have been negligent in taking the paper, and omitted precautions which a prudent man would have taken, nevertheless, unless he acted *mala fide*, his title, according to settled doctrine, will prevail." This case was approved in Second National Bank vs. Weston (172 N. Y. 250, 254, 255.)

We doubt there being sufficient evidence to establish the negligence or inattention of the bank officials, but in any event they did not act in bad faith or with any sort of notice that Kemper was using the note unlawfully. The judgment and order should be affirmed, with costs.

DEED TO VICE-PRESIDENT—WHEN BANK CANNOT SELL.

Supreme Court of Georgia, March 6, 1905.

GREENFIELD *VS.* STOUT.

A warranty deed to "E. H. P., Vice-President of the National Bank of the Republic," conveys title to E. H. P. individually, the words "Vice-President," etc., being descriptio personae; and where such a deed recites that it is given as security for a debt, and contains a power of sale, that power cannot be exercised by "C. H. S., Cashier of the National Bank of the Republic."

Where a warranty deed to secure a debt contains no defeasance clause, and no bond to reconvey is executed contemporaneously therewith—the grantee being given the power to sell the land at public outcry upon default in the payment of the debt—it is not necessary that title be again placed in the grantor in order to bring the property to sale.

Where the title conveyed by such a deed is in a bank, the power of sale cannot be exercised by "C. H. S., Cashier" of the bank.

In 1894, one Weston conveyed the land which was the subject-matter of the present suit to "E. H. Pullen, Vice-President of the National Bank of the

Republic, of the City of New York." The deed recited that it was given to secure the payment of certain promissory notes, and was "intended to operate as provided in sections 1969, 1970 and 1971 of the code of 1882, in regard to the sales of property to secure debts, and to pass the title of the property described unto the said E. H. Pullen, Vice-President of the said National Bank of the Republic." It also stipulated that if the debt to secure which it was given was not paid at maturity, "the said E. H. Pullen, Vice-President, his agent or legal representatives, may and by these presents is authorized to sell at public outcry," etc., the property conveyed by the deed, and that "the said E. H. Pullen, Vice-President as aforesaid, his agent or legal representatives, may make to the purchaser or purchasers of said property good and sufficient title to the same."

Subsequently Weston died, and in 1901 his administrators conveyed the land in dispute to D. Greenfield. D. Greenfield died, leaving a will in which he appointed A. D. Greenfield, the plaintiff in the present action, his executor. In September, 1904, C. H. Stout, Cashier of the National Bank of the Republic, proceeded to advertise the land for sale under the power contained in the deed from Weston to Pullen, whereupon the plaintiff, as executor of the estate of D. Greenfield, filed his petition to enjoin the sale. A temporary restraining order was granted, but at the hearing this was dissolved and an injunction refused. The plaintiff excepted.

Candler, *J.*: As will have been seen, the controlling question for our decision is as to the effect of the deed from Weston to Pullen. Did the instrument convey the legal title to the land to the National Bank of the Republic, or were the words "Vice-President," etc., merely *descriptio personae?*

A bank, like any other corporation, can, of course, act only through its agents and officers; and, owing to the necessities of business and the evolution of modern banking methods, an officer of a bank may do many things which will inure to the benefit or injury of the corporation. Thus a negotiable promissory note payable to "A. B., Cashier," may be sued on by the bank in its corporate name. (Collins vs. Johnson, 16 Ga. 458; Hobbs vs. Chemical Bank, 97 Ga. 524; Roush vs. First Nat. Bank, 102 Ga. 109; 1 Morse, Banks & Banking, § 170.) This principle, as has been stated, arises from the necessities of modern business, and was unknown to the law merchant.

We have been unable, however, to find any ruling to the effect that a deed to real estate to an officer of a bank in his individual capacity conveys any legal title to the bank which he represents. That a deed to "E. H. Pullen, Vice-President of the National Bank of the Republic, of the city of New York," is in legal effect but a deed to E. H. Pullen in his individual capacity, is, we think, clearly settled by repeated rulings of this court. (See Wade vs. Roberts, 53 Ga. 27; State vs. Sallade, 111 Ga. 701; Dozier vs. McWhorter, 117 Ga. 786; Glisson vs. Weil, 117 Ga. 842; Fargason vs. Ford, 119 Ga. 343; Arrowood vs. McKee, 119 Ga. 623; Stephens vs. Atlanta, 119 Ga. 666.)

We do not mean to hold that the bank has no interest whatever in the land which was conveyed to its Vice-President. On the contrary, the evidence of Stout on the trial in the court below, as well as the contentions of the parties in the briefs filed in this court, seems to indicate that it has a clear equitable title to the land, and that by appropriate proceedings in a court of equity it may subject the property to the payment of its debt. Pullen, in his individual capacity, may advertise and sell the property under the power contained in the deed to him.

If for any reason these measures are not practicable, the bank may, by appropriate proceedings, go into equity and ask that the deed be reformed so as to make it speak the intention of the parties. (Dozier vs. McWhorter, 117 Ga. 789.)

But nothing is more clear than that the property can be sold in this manner by no one except the holder of the legal title, and, as neither the bank, nor Stout, its Cashier, holds the title as it now stands, neither of them can bring the land to sale. (See, on this subject, Luquire vs. Lee, 121 Ga. —— * * *)

It follows that, should title be conveyed to the bank, or should the bank obtain a decree from a court of equity reforming the deed from Weston to Pullen so as to place title in it, the property could not be sold under the terms of the deed by "Charles H. Stout, Cashier of the National Bank of the

Republic." It is also obvious that as Weston, the grantor in the deed to Pullen, is dead, the land cannot be sold as his property, but should be sold as the property of his estate.

Judgment reversed. All the justices concur.

COLLECTIONS—INSOLVENCY OF COLLECTING BANK.

United States Circuit Court of Appeals, Fifth Circuit, January 24, 1905.

WESTERN GERMAN BANK *vs.* NORVELL.

A bank which, although known by its officers to be insolvent, received a draft for collection without disclosing its insolvency to the owner, collected the same and mingled the proceeds with its own funds, remitting to the owner its own draft, which was not received until after the bank was placed in the hands of a Receiver, was guilty of fraud, and the proceeds of the draft, when collected, remained the property of the sender, and may be recovered from the Receiver, where they can be traced into his hands; and such right is not affected by the fact that the sender gave directions that the remittance should be made in New York exchange, which was done; the exchange being protested and never paid.

When a bank, known by its officers to be insolvent, collects money for a customer and mingles the same with its own funds, which to an amount larger than the sum so received go into the hands of its Receiver, it is not essential to the right of the customer to recover from the Receiver that he should be able to trace the identical money into the Receiver's hands; but it is sufficient to show that the sum which went into the Receiver's hands was increased by the amount so collected.

This was a suit in equity by the Western German Bank, of Ohio, against the First National Bank of Florida, and Joseph W. Norvell, Receiver of the latter bank.

The complainant, the Western German Bank, received as a deposit from a customer a draft, signed F. T. Watson, in favor of Edward Holder, for the sum of $4,000, drawn on the Commercial Bank, of Jacksonville, Fla. The complainant, on March 10, 1903, forwarded the draft to the First National Bank of Florida for collection by letter, saying: "Please remit New York exchange." The First National Bank of Florida presented the draft to the Commercial Bank for payment, and the same was promptly paid. The First National Bank of Florida then sent by mail to the complainant bank its draft, dated March 13, 1903, for the sum of $3,995, on the Chemical National Bank of New York, payable to the order of the complainant, which draft was received by the complainant bank on March 16, 1903, after the failure of the First National Bank of Florida, and after the defendant Norvell had been appointed Receiver of the First National Bank of Florida by the Comptroller of the Currency of the United States. The complainant presented this draft to the Chemical National Bank for payment on March 17, 1903, and payment was refused, because of the failure of the First National Bank of Florida, and the draft was duly protested. The First National Bank of Florida was closed on March 14, 1903, and the Receiver took possession on that date, which was before the complainant had received the draft of the Chemical National Bank. The Receiver immediately instructed the Chemical National Bank not to pay for the draft and other drafts of like character, and the draft was never paid.

Before Pardee, McCormick, and Selby, Circuit Judges:

SELBY, *Circuit Judge*: It is alleged in the bill that the defendant bank was insolvent when it received the draft for collection, and when it collected it, and when it remitted the New York exchange. The New York exchange is dated March 13, 1903, and on the next day the defendant bank and its assets were in the hands of a Receiver appointed by the Comptroller. Its insolvent condition was known to the officers of the bank, and they wrongfully neglected to disclose the fact to the complainant. On the facts averred in the bill, it was a fraud on the part of the defendant bank for it to receive the draft for collection, intending to collect it and to mingle the proceeds of the collection with its general assets. The draft, therefore, and the proceeds of its collection, remained the property of the complainant bank. (Richardson vs. New Orleans Deb. Red. Co., 102 Fed. 780, 42 C. C. A. 619, 52 L. R. A. 67.)

The fact that the complainant gave directions to the defendant to remit

the proceeds of the collection in New York exchange does not alter the case. These directions were given, because the complainant bank was led to believe that the defendant bank was solvent, and was doing business honestly and in good faith. It was not supposed that the defendant bank, when its officers knew it to be insolvent, would receive drafts for collection, collect them, and mingle the proceeds with its general assets, so as to knowingly subject the owners of the drafts to loss. It appears from the bill that, with knowledge of its insolvency, it received and collected this draft, mingled the proceeds of its collection with its other funds, and followed the complainant's direction as to remitting in New York exchange; but the defendant bank was placed in the hands of a Receiver before the complainant received the exchange, and the exchange was protested. As the exchange was not paid to the complainant, and did not diminish the funds in the bank, or create any liability against it affecting the general creditors, it does not have any effect upon the equitable rights of the complainant. (Richardson vs. New Orleans Coffee Company, 102 Fed. 785, 43 C. C. A. 583.)

The fact that the proceeds of the draft, when collected, were mingled with the other funds in the bank, does not defeat the complainant's right of recovery. When a bank receives money, it being known to its officers to be insolvent, and mingles the money with its own funds, which, to an amount larger than the sum so received from its client, goes into the hands of its Receiver, it is not essential to the right of its client to recover from the Receiver that he should be able to trace the identical money into the Receiver's hands; but it is sufficient to show that the sum which went into the Receiver's hands was increased by the amount which the bank received of its client. (Richardson vs. New Orleans Deb. Red. Co., 102 Fed. 780, 42 C. C. A. 619, 52 L. R. A. 67, and cases there cited.)

In support of the third ground of demurrer, it is argued that the bill does not allege that the defendant bank was "hopelessly" insolvent. It is true that the bill does not aver in plain words the hopeless insolvency of the defendant bank. It is alleged, however, that it was insolvent, and that its insolvency was known to its officers, and that they wrongfully neglected to disclose its insolvency to the complainant, and that it received the draft for collection, collected it, and, while so insolvent, sent the New York exchange, which was dated March 13, 1903, and that on March 14, 1903, the defendant bank was placed in the hands of a Receiver. These averments of the insolvency of the bank, we think, are sufficient. (See St. Louis, etc., Ry. Co. vs. Johnston, 133 U. S. 566, 10 Sup. Ct. 390, 33 L. Ed. 683, reversing the decree of the circuit court, 27 Fed. 243.)

The decree of the circuit court, dismissing the bill, is reversed, and the case remanded, with instructions to overrule the demurrer.

DEPOSIT BY HUSBAND AND WIFE—WHEN SURVIVOR TAKES.

Supreme Court of Pennsylvania, January 30, 1905.

In re KLENKE'S ESTATE.

Where a husband and wife make a deposit in a Savings bank in their joint names, they are to be deemed joint tenants, and upon the death of either, the survivor takes the whole.

K and his wife opened a Savings bank account in their joint names, and at the time the account was opened, they signed the following agreement: "The undersigned, who have made deposits in their joint names in the Iron and Glass Dollar Savings Bank, hereby direct the bank to honor and pay all checks and deposits that we or either of us may draw upon the bank during the continuance of said account; and also authorize the bank to pay out to both or either of us any and all moneys to our joint credit upon both or either of us receipting for the same in our joint or individual names. This authority to continue to the survivor in case of the death of either." Held, that upon the death of the husband, the wife became entitled to the entire deposit.

Henry Klenke died on October 8, 1902, leaving a will by which he gave to Henry Clatty $1,500. He specifically devised certain stock of corporations, but there was no money to pay the legacy to Clatty. At the time of decedent's death there was deposited in the Dollar Savings Bank $500 in the name

of decedent's wife, Catherine Klenke. There was also a balance in the names of Kate or Henry Klenke in the First National Bank of Birmingham of $725, which was paid after decedent's death to the widow; in the German Savings and Deposit Bank, in the names of Henry and Kate Klenke, $1,890.25; and in the Iron and Glass Dollar Savings Bank, in the names of Henry and Catherine Klenke, $2,600. At the time the account was opened, they signed the following agreement: "The undersigned, who have made deposits in their joint names in the Iron and Glass Dollar Savings Bank, hereby direct the bank to honor and pay all checks and deposits that we or either of us may draw upon the bank during the continuance of said account; and also authorize the bank to pay out to both or either of us any and all moneys to our joint credit upon both or either of us receipting for the same in our joint or individual names. This authority to continue to the survivor in case of the death of either."

The following is the opinion of the court below (Over, J.):

"Mrs. Klenke had no separate estate when she married the decedent, nor did she acquire any after her marriage; and although a part of the money deposited in the banks was, no doubt, the result of her labor jointly with her husband, yet, as he was entitled to her earnings, all the money deposited was his. If, then, the decedent did not intend to make a gift of the money deposited in the name of his wife in the Dollar Savings Bank to her, she must account for it as assets of the estate. His first intention was to have it deposited in his own name, but he knew that this was not done, made no objections, and thereby ratified and assented to the act of his agent in making the deposit in Mrs. Klenke's name; and, as he never asserted any rights to this money, and she subsequently made additional deposits, the presumption is that he intended it as a gift to her.

As to the deposit in the German Savings & Deposit Bank in the names of Henry and Kate Klenke, it seems, under the authorities, that they held it by entirety, and that, upon the death of her husband, Mrs. Klenke took the whole fund. In Donnelly's Estate, 7 Pa. Co. Ct. R. 196, it was held that: 'Where a husband and wife made a deposit in a savings fund in their joint names, they hold by entireties, and not by moieties, and, upon the death of either, the survivor takes the whole.'

In Parry's Estate, 188 Pa. 33, where a letter of credit was purchased by the husband with his own money, made payable to himself and his wife, and intended to be used in a journey abroad, and the husband died before the letter was exhausted, it was held that the wife was entitled by survivorship to the balance ($12,825.34) due upon it. A tenancy by entireties arises whenever an estate vests in two persons who are at the time when the estate vests husband and wife. It may exist in personalty as well as real property; in choses in actions as well as choses in possession. (Bramberry's Estate, 156 Pa. 628.) A deposit in the names of husband and wife, by reason of their unity, goes to the survivor. (2 Morse on Banking, § 604b.)

It is suggested, however, that, as the deposits in the First National Bank of Birmingham and the Iron & Glass Dollar Savings Bank are in the names of Henry or Catherine Klenke, they are not held as entireties. We think, however, the legal effect is the same, as the deposits are both joint and several—in favor of both as well as of each separately. There can be no question that either could check on the account in the lifetime of both, and the right of the survivor would not be defeated by the death of the other. And as the agreement signed by the parties when the deposit was made in the Iron and Glass Dollar Savings Bank expressly authorized the survivor to withdraw the deposit, there can be no question as to Mrs. Klenke's title to that deposit. There is not sufficient cash to pay Henry Clatty his legacy of $1,500, and as the testator, no doubt, thought there would be when he made his will, in 1897, it is argued this shows he did not intend that his wife should take the money deposited in their joint names. But even if this were his intention then, it could not change the legal effect of what had been previously done.

It is argued by exceptant that the deposits were made in the manner they were as a matter of convenience, because the decedent seldom came to the city after his stroke of paralysis in 1893, and that his wife merely acted as his agent in the matter; but the force of this argument is much weakened

by the fact that accounts in the German Savings & Deposit Bank and the First National Bank of Birmingham were opened in their joint names long prior to his incapacity—in the former in 1879, and in the latter in 1887. It is true, the account in the Iron & Glass Dollar Savings Bank was opened in 1893, but as to that deposit the written agreement signed by the decedent fixes their rights.

As we think the title to this deposit is in Mrs. Klenke, the exceptions must be dismissed."

Per Curiam: This judgment is affirmed on that portion of the opinion of the auditing judge below which relates to the appellant's claim.

ACCOMMODATION NOTE—TRANSFER AS COLLATERAL SECURITY—ADVANCES AFTER MATURITY.

Supreme Court of Errors of Connecticut, March 9, 1905.

MERSICH *vs.* ALDERMAN, *et al.*

An accommodation maker, unless he can show that the paper has been misappropriated by the accommodated party to some purpose other than that for which it was given, may not set up the want of consideration against a person who has acquired the note in good faith and for value, even although transferred after maturity.

Under the Negotiable Instruments Law, where a promissory note is transferred as collateral security for such indebtedness as the payee thereof may incur upon a continuing credit extended to him, the transferee becomes a holder for value to the extent of the amount so advanced.

One who takes accommodation paper as collateral security for a debt will be limited in his recovery to the amount of that debt, but his cause of action is none the less upon the paper.

One Freedman desired to purchase lumber of the W. A. Beckley Company, lumber dealers, and to establish with the company a present and continuing credit for purchases to be made forthwith and in the future. The company demanded references. Instead Freedman proposed to indorse over a good note as collateral security for any indebtedness he might incur. This being acceptable to the company, Freedman indorsed and delivered to it the negotiable promissory note of the four defendants now in suit. It was for the sum of $2,000, and payable to Freedman six months after date. It was not then due. The company thereupon furnished Freedman lumber to the amount of between $700 and $800, and continued for a period of years thereafter to supply him with lumber, all in reliance upon the security of said note, which it continued to hold until January, 1902, when a receiver for said company was appointed. The company took the note and continued to hold it without knowledge or notice of any claim that it was accommodation paper, or that there were any claimed defenses to it, either legal or equitable, as between Freedman and the makers. At the time of the appointment of the receiver the indebtedness from Freedman to the company, which had for a long time been represented by notes renewed from time to time, was represented by two notes under dates of September 14 and 24, 1901, respectively, amounting in their principal sums to $786.40. The plaintiff was the purchaser from the said receiver and under an order of court of the note for $2,000 and of all claim the Beckley Company had against Freedman by reason of its transactions with him.

Prentice, *J.*: The plaintiff is the indorsee and holder of the note in suit, of which the defendants are the makers. He is also the owner of the indebtedness which it was indorsed to secure. As such holder of the note, whether in due course or not, and such owner of the indebtedness, he has all the rights of the Beckley Company, through whom he holds. (Gen. St. 1902, § 4228.)

The Beckley Company held the note as collateral security for such indebtedness to it as the payee thereof might incur upon a continuing credit extended to him. It was therefore a lienholder, and as such was both originally and at the maturity of the note a holder for value to the extent of the lien, and to that extent a holder in due course. (Gen. St. 1902, §§ 4197, 4222.)

This is conceded. It is contended, however, that as to any indebtedness incurred by the payee subsequent to the maturity of the note the Beckley Company was not in the position of a holder in due course, and that, therefore, as to such indebtedness, the note in its hands was subject to the defense on the part of the makers that it was given for the accommodation of the payee, and was without consideration. This contention rests upon two assumptions of fact which are not supported by the finding, to wit: (1) That the note was made for the accommodation of the payee; and (2) that some part of his indebtedness to the Beckley Company arose subsequent to the maturity of the note. It rests also upon the assumption of law that the want of consideration, which is the peculiar characteristic of accommodation paper, is one of the equities or defenses to which such paper in the hands of one who is a holder for value after maturity is, under all circumstances, subject, save as otherwise controlled by section 4228 of the General Statutes of 1902.

The courts of England and of many of our States have adopted, and the text-writers with general unanimity have approved of, a contrary doctrine, which declares that, unless the paper is shown to have been misappropriated by the accommodated party to some purpose other than that for which it was given, the accommodation makers may not set up the want of consideration in an action by one who has acquired it in good faith, in the ordinary course of business, and for value, although after maturity. (Sturtevant vs. Ford, 4 Man. & G. 102; Stein vs. Yglesias, 1 Cromp. M. & R. 565; Charles vs. Mardsden, 1 Taunt, 223; Carruthers vs. West, 11 Q. B. 143; Atwood vs. Crowdie, 1 Starkie, 485; Dunn vs. Weston, 71 Me. 270; Seyfert vs. Edison, 45 N. J. Law, 393; Miller vs. Larned, 103 Ill. 570; Davis vs. Miller, 14 Grat. 1; East River Bank vs. Butterworth, 45 Barb. 476; Harrington vs. Dorr, 3 Robertson (N. Y.) 275; Maitland vs. Bank, 40 Md. 540; Daniel on Negotiable Instruments, §§ 726, 786, 790; Story on Promissory Notes, 194; Chitty on Bills, 218; 2 Parsons on Notes and Bills, 28; Byles on Bills, 285; Eaton & Gilbert on Commercial Paper; Redfield & Bigelow's Leading Cases, 216.)

The cases holding otherwise, in so far, at least, as the rule laid down by them is made to embrace situations where, as here, the holder for value parted with the consideration without notice of the accommodation character of the paper, do not have the support of sound reason or safe policy. We are not prepared to introduce into the law commercial a principle so repugnant to its spirit, and so fraught with danger. The defendants have shown no misappropriation by the accommodated party. Their defense must therefore fail, and it would not change the result if the finding should be so corrected as to establish the two facts assumed by them as hereinbefore stated.

The defendants claim that the complaint was inappropriate, in that it was in the ordinary form of one on behalf of an indorsee of a negotiable note against the maker, and that the judgment did not conform to the complaint in that it was rendered for the amount of the indebtedness which it was given to secure. It is well settled that the payee or indorsee of a note held as collateral may sue upon it, and such is the plain implication of our statutes. (Gen. St. 1902, §§ 4222-4227; Daniel on Negotiable Instruments, § 833; Hodges vs. Nash, 141 Ill. 391; Whitteker vs. Charleston Gas Co., 16 W. Va. 717; Reed vs. First National Bank, 23 Colo. 380.)

The fact that judgment is not in such cases rendered for the full amount of the note, but for the amount of the indebtedness secured thereby, does not establish that the recovery is not upon the note. True it is that, generally speaking, a holder in due course of negotiable instruments is entitled to recover the full amount thereof. (Gen. St. 1902, § 4227.) But it has long been an accepted principle limiting the operation of the general rule, but not repugnant to it, that one who takes such paper as collateral security for a debt will be limited in his recovery to the amount of that debt. (Cromwell vs. County of Sac, 96 U. S. 60; Duncan vs. Gilbert, 29 N. J. Law. 521; Fisher vs. Fisher, 98 Mass. 303; Youngs vs. Lee, 12 N. Y. 551.) The recovery, however, is none the less upon the paper. The plaintiff was justified in confining his allegations to such as disclosed his right prima facie to recover the amount of the note, and in leaving to the defendants to set up in their answer, as they did, the facts which served to limit that right. (Vanliew vs.

Bank, 21 Ill. App. 126; Curtis vs. Mohr, 18 Wis. 615; Duncan vs. Gilbert, 29 N. J. Law, 521.)

The exceptions to the finding need not be considered.

There is no error. All concur.

PROMISSORY NOTE—IRREGULAR INDORSER.

Supreme Judicial Court of Massachusetts, Norfolk, March 3, 1905.

LEONARD *vs.* DRAPER, *et al.*

Under the Negotiable Instruments Law, the indorsers of a promissory note made in the name of a corporation by its treasurer are liable to a holder in due course though the treasurer had no authority to sign the note for the corporation.

Where indorsers who sign for the accommodation of the maker place their signature on the note before it is indorsed by the payee, they are liable to the first holder after the note takes effect and to all subsequent parties.*

KNOWLTON, *C. J.*: This is an action upon a promissory note on which the defendants' names appear as indorsers. It is agreed that the note was duly signed and delivered and that due demand was made, and notice given to charge the defendants as indorsers. These facts make a *prima facie* case against the defendants.

The defense relied upon is founded on a former note, which was paid in part by cash, and in part by giving the note in suit. That note was executed in the name of a street railway corporation, by its treasurer, was payable to the order of O. M. Draper, who was the wife of the treasurer, and was indorsed by her and by the defendants, and they seem to have indorsed for the accommodation of the company. It is agreed that Draper, the treasurer, had no authority to sign the note for the corporation; and, if the suit were against the corporation, this fact would be a good defense. But it is of no avail to these defendants. If we look to the form of the instrument alone, in which the name of the payee appears as the first indorser, and the names of the defendants as subsequent indorsers, Rev. Laws, c. 73, §§ 83, 84, apply; and the defendants warranted, among other things, the validity of the instrument, and that all prior parties had capacity to contract. This was the rule before the passage of the Negotiable Instruments Act. (Kenworthy vs. Sawyer, 125 Mass. 28.)

If the defendants signed before the payee indorsed the note, in regard to which the statement of agreed facts is silent, they are within section 81 of this chapter, under which they are liable to the first holder of the note after it takes effect, and to all subsequent parties. As the defendants signed for the accommodation of the maker, if they signed before the payee indorsed, defenses as to legality or consideration are open under section 81, as they would be in a suit against the maker. (Dunscomb vs. Bunker, 2 Metc. 8.)

ALTERATION OF CHECK—WHAT WILL NOT CONSTITUTE FORGERY.

Supreme Court of Mississippi, March 20, 1905.

WILSON *vs.* STATE.

Under a statute which confines the crime of forgery to instances where "any person may be affected, bound or in any way injured in his person or property," no such crime is committed by prefixing the figure "1" to the figures $2.50, written in the upper right hand corner of a draft, in which the words "two and 50/100 dollars" are written out in the body of the instrument, and the words "Ten Dollars or Less" plainly stamped on its face.

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*The Negotiable Instruments Law (Sec. 114, New York Act) provides: Where a person, not otherwise a party to an instrument, places thereon his signature in blank before delivery, he is liable as indorser in accordance with the following rules:

1. If the instrument is payable to the order of a third person, he is liable to the payee and to all subsequent parties.
2. If the instrument is payable to the order of the maker or drawer, or is payable to bearer, he is liable to all parties subsequent to the maker or drawer.
3. If he signs for the accommodation of the payee, he is liable to all parties subsequent to the payee.

CALHOON, J.: Wilson was convicted of an attempt to commit forgery, the court below properly charging the jury that it could not convict of the crime itself. The instrument of which attempt to commit forgery is predicated is a draft for "two and 50-100 dollars," as written out in the body of it, having in the upper right-hand corner the figures "2.50-100," as is customary in checks, drafts, and notes, and having plainly printed and stamped on the face of the instrument the words "Ten Dollars or Less." Wilson, with a pen, put the figure "1" before the figure "2" in the upper right-hand corner, making these immaterial figures appear "$12.50" instead of "$2.50," and undertook to negotiate it as $12.50.

This was not forgery, because it was an immaterial part of the paper, and because it could not possibly have injured anybody. In order to constitute the crime, there must not only be the intent to commit it, but also an act of alteration done to a material part, so that injury might result. (Rembert vs. State, 53 Ala. 467; Roode vs. State, 5 Neb. 174; 1 Bish. New Crim. Law, §§572-740; Commonwealth vs. Wilson, 2 Gray, 70; State vs. Pierce, 8 Iowa, 235; People vs. Galloway, 17 Wend. 540; Anderson vs. State, 20 Tex. App. 595; State vs. Smith, 8 Yerg. 150; Howell vs. State, 37 Tex. 591; Barnum vs. State, 15 Ohio, 717; People vs. Tomlinson, 35 Cal. 503; State vs. Briggs, 34 Vt. 501; State vs. Corley, 63 Tenn. 410; Cox vs. State, 66 Miss. 14, 5 South. 618; State vs. Means, 47 La. Ann. 1535, 18 South. 514; Commonwealth vs. Bailey, 1 Mass. 62, 2 Am. Dec. 3; Commonwealth vs. Stevens, 1 Mass. 203.)

These authorities might be numerously added to, but it is enough to say now that they sustain what we have said, and establish also that an instrument void on its face is not the subject of forgery, and that, in order to be so subject, it must have been capable of working injury if it had been genuine, and that the marginal numbers and figures are not part of the instrument, and their alteration is not forgery.

This being true, can the conviction of an attempt to commit forgery be sustained in the case before us? We think not. No purpose appears to change anything on the paper except the figures in the margin, and this could not have done any hurt. Our statute (Code 1892, § 1106) confines the crime of forgery to instances where "any person may be effected, bound, or in any way injured in his person or property." This is not such a case, and section 947 forbids convicting of an attempt "when it shall appear that the crime intended or the offense attempted was perpetrated." In this record the innocuous prefix of the figure "1" on the margin was fully accomplished, and no other effort appears, and, if genuine, could have done no harm; and so the appellant is guiltless, in law, of the crime of which he was convicted.

Reversed and remanded.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

Editor Bankers' Magazine: Oxnard, Cal., April 12, 1905.

SIR: Is a bank warranted or justified, under attachment proceedings, in withholding funds or making answer that they have funds belonging to the drawer of a draft, when the draft comes to them through the hands of a third party, irrespective of the fact that they have no knowledge whether the draft was a collection only, or was discounted by the drawer?

In order that you may more fully understand the case that occasioned the above inquiry, I add below an outline of the transaction.

February 21, 1905, A draws draft at sight for $3,000.00 on B at St. Louis, attaching bills of lading, and deposits draft in C bank here, receiving credit for the full amount (which was subsequently checked out), it being the understanding that interest would be charged from the date of deposit until the amount was received by the C bank. C bank immediately forwarded the draft to D bank at Los Angeles, for collection, with instructions not to protest, but to have payment advised by wire. D bank forwarded draft to E bank at St. Louis, on February 23, 1905, with instruction as directed by C bank; the draft arriving at St. Louis on February 27. On March 9, C bank not having been advised of payment, wrote D bank for report, and received

answer under date March 10, that they would send tracer. March 20, B paid the draft and immediately garnished the funds in the hands of the E bank, before they had time to make remittance. The E bank then advised the D bank by wire of the facts, and followed by writing: "If you can prove that the draft is your property, and you have advanced the funds on same, we will forward check for proceeds, providing you give us a bond of indemnity, securing us against loss that may accrue in our paying you the amount."

In subsequent correspondence with the E bank at St. Louis, they write. "We could not know whether it (the draft) was accepted for collection only, or discounted by the C bank. If accepted for collection, then of course you will appreciate that when paid the money belonged to the drawer, that is, A, and in that event the garnishment would be effective to hold the same in our hands, and if we remitted, we would become liable to the plaintiff therefor. On the other hand, if discounted for value in such a way as to constitute the C bank the purchaser and bona fide holder of the same, then as it contends, the money received from the collection of the same is not subject to garnishment in our hands as the money of A, since it belongs to bank C. But why should we be compelled, at our peril, to determine this question of facts, when we are disinterested in the controversy altogether, and a mere stakeholder." The E bank further state, that they have filed no answer to the garnishment, and are not required to do so until the June term of court.

There seems to be a difference of opinion as to the propriety of the action taken by the St. Louis bank. We find disinterested bankers of good standing and ability in Los Angeles who regard the action of the St. Louis bank as unwarranted. We believe it a matter of considerable importance, and of interest to your subscribers, if the proposition can be answered or discussed on the basis of legal decisions on the subject.

While we regard the action of the St. Louis bank, in holding the draft three weeks for the convenience of the drawee, unreasonable, it being a sight draft, and it being part of the consideration, that the draft was to be paid immediately on presentation, without holding for the arrival of the goods, that has nothing to do with the main point at issue; it merely indicates that the St. Louis bank was acting in collusion with B, regardless of the duty they owed the Los Angeles bank. A SUBSCRIBER.

Answer.—Regarding the matter in its legal aspects only, the position taken by the St. Louis bank in its letter is entirely correct. But, of course, a bank would have no right to hold a draft for the purpose of enabling a creditor of the drawee to levy an attachment against the proceeds.

Editor Bankers' Magazine: Wilmington, N. C., March 6, 1905.

Sir: Please let us know where we can find a decision of the U. S. Court of Appeals where the question of usury under the National bank acts was brought up. We think the facts are these: A party brought suit to recover interest which accumulated on a note given for an overdraft, the note having been renewed from time to time, and each time of renewal the interest was added in at six per cent., which made the debt when sued on much larger than it would be if the interest had not been compounded. We are under the impression the Court held that it was usury. CASHIER.

Answer.—We do not find the case referred to, and the great weight of authority is contrary to the proposition as stated. In Meeker vs. Hill (23 Conn. 574) it was said: "The taking of compound interest can not *per se*, be considered usurious; and an agreement to pay it, made after the interest has become due, on a contract reserving interest to be paid annually, or at stated periods, is not only legal, but is generally just and equitable, as founded upon a moral and equitable consideration." And in Pendell's Exr. vs. Bank of Marietta, (10 Leigh. [Va.] 481) it was said: "It is the general rule of law that interest shall not bear interest. This rule of law will, however, yield to the agreement of the parties express or implied; if, therefore, a debtor in consideration of forbearance agrees with the creditor that he will pay interest on interest *theretofore* accrued, that agreement will be enforced. So, also, I apprehend, if a debtor in consideration of forbearance, agrees that he will on a future day pay the interest therefore accrued, and fails to pay it on that day, a jury or a court of chancery will give interest on the amount of that interest after the expiration of the day."

In Ragan vs. Day (46 Iowa, 239) a note bearing interest at ten per cent. (the highest rate allowed by law) contained a provision requiring the interest to be paid quarterly, and if not so paid, then the interest so due and unpaid to bear interest at ten per cent. It was held that this did not make the contract usurious. And in North Carolina it has been held that when a promissory note is given with a stipulation that the interest is to be paid annually or semi-annually, the maker is chargeable with interest at the like rate upon each deferred payment of interest, as if he had given a promissory note for the amount of such interest. (Bledsoe vs. Nixon, 69 N. C. 89.)

BANK CREDITS.

[Address of James G. Cannon, Vice-President Fourth National Bank, New York City, delivered before the annual convention of the New Jersey Bankers' Association, at Atlantic City, March 17.]

Permit me to express to you my appreciation of the compliment you have paid me in inviting me to be present to address your convention.

I have chosen for my subject "Bank Credits," the same title I gave to an address delivered at Drexel Institute, Philadelphia, on November 17, 1892, a little over twelve years ago, at which time there were not more than a half dozen credit departments in as many banks in the United States; and, as I stated in that address, during the entire period of the existence of the American Bankers' Association from 1875 until that date, the subject of "Bank Credits" had never been discussed in a practical way by its members. Since that time, however, the subject has come up for discussion before many State bankers' associations throughout the country, and the introduction of credit departments in banks has become very general.

On February 9, 1895, the executive committee of the New York State Bankers' Association adopted resolutions recommending to its members "that they request borrowers of money from their respective institutions to give them written statements over their signatures of their assets and liabilities, in such form as the committee on uniform statements of the various groups might recommend." Acting upon these resolutions, nearly all of the groups of the New York State Bankers' Association adopted uniform statement blanks, and the example set by that association has been followed by many associations in other States.

In 1898, the National Association of Credit Men, a large and powerful organization of nearly three thousand members, after a year's investigation of the subject, adopted uniform statement blanks, which have ever since been widely employed.

On September 7, 1899, the American Bankers' Association, in convention assembled at Cleveland, Ohio, adopted a uniform property statement blank, to be supplied to its members, and thus placed the stamp of its approval upon the credit department for banks, at the same time instructing its secretary to set up in his office a model department, and to furnish information to its members regarding the workings of the same.

You might say that these efforts were practically the beginning of credit research, and as we trace the subject during the past twelve years and note the growth of these methods and the many difficulties which have been overcome, we certainly feel that something has been gained by the agitation and discussion of bank credits, and much good has been accomplished.

Changed Methods in Handling Commercial Paper.

It is becoming evident to students of financial affairs that there is a gradual change of method in the buying and selling of commercial paper from that which obtained in former times. Borrowers no longer confine themselves to one place, but go where funds can be procured to the greatest advantage. Merchants in the smaller towns go away from home to borrow money, and bankers in smaller cities go away from home to procure investments. Often bankers do not feel that they can break the rate locally, but it frequently happens that they will send to the large money centers and buy the paper of their home merchants at a lower rate than they would feel that they could take the note for direct. One-eighth per cent. will take many a business man from home for his accommodation. The practice is growing for the banks in larger cities to buy commercial paper for their correspondents and in the face of these changes in method it becomes more and more imperative for bankers who handle commercial paper, and who are located

in the large money centers, to be fully informed in the widest measure upon the credit of borrowers.

Importance of Borrowers' Statements.

We have noted the beginnings of credit science; we have briefly traced its interesting and rapid development during the past twelve years, and we have marked the changes in methods which are calling for constantly improved ways and means of credit research. Let us take the measure of the credit science of to-day in a few words before we consider the problems and prospects of the future.

The cornerstone of credit science may be said to be the requiring from borrowers of statements of the condition of their affairs. This has now become an accepted custom in the relation between banks and borrowers on commercial paper. It has come to be recognized that the practice is of value to both the bank and the borrowers, and this may be considered the reason for its success. Furthermore, the making of statements oftentimes renders concerns themselves aware of weaknesses in their methods of operation, financial practices and results of business. The banker, having a substantial interest in the success of the borrower, may frequently give wholesome advice or timely warning from his wide experience in commercial affairs and his foresight in monetary matters. There is a distinct parallel in the results that have worked out from the practice of giving statements to the results with which we are so familiar in the methods of the National banking system. Here statements of conditions and bank examinations have resulted in wise improvement in our methods, in wholesome safeguarding of our funds, in conservative financing and in general advantage. Again, there is a parallel in the results which have developed from the mutual relations of manufacturers and the factory mutual insurance companies. Here the companies called for improvements in buildings and equipment, which have rendered fire a remote contingency. Whoever doubts the joint interest of such a movement has never experienced the paralyzing effect which a fire has upon the affairs of any concern. The statement of condition has come to stay, and is fundamental in credit matters.

But if the statement is the foundation of the credit structure, the credit department may be considered to be the superstructure. This division of the bank's operating mechanism may be said to be the clearing-house for credit information, the headquarters for credit analysis, the storehouse of facts relating to those who are commercial borrowers of the bank's money. Our credit men are the watchdogs of the bank's risks and the guardians of the investments made for its correspondents. The department must be manned by our most faithful, reliable, intelligent, tactful men, who must be capable of infinite pains, of inexhaustible patience, and of absolute loyalty. Their eyes and ears must be open to every contingency that no sign may go unheeded. They are compelled to walk in the ruts of routine and yet be pathfinders constantly. No man who works mechanically will develop into a successful credit man. The credit department should have an equipment commensurate with its importance. It should be the inner chamber in all respects. Recorded confidence should never be violated, and there should be no latchstring to this department. Its mechanism of blanks, files, vaults and office fixtures should be perfectly adapted to its service, and every means which ingenuity can devise should be utilized to assist its work.

Statements Must Be Thoroughly Analyzed.

In our review of the credit science of to-day, we have noted the universal custom of giving statements. We have glanced over the mechanism provided for the handling of these statements and correlated data, but the important feature of all credit science is: What is our interpretation of these statements? I wish to make clear my conviction that a statement which is not submitted to analysis is a menace. Because, first, if errors have been made, if lack of judgment on the part of the management of the concern has been shown which is not brought to the attention of the borrower; if reckless methods have been indulged in or any dishonesty has been practiced, the very fact that a statement has been received and accepted by a banker either lulls

into a sense of security the careless or heedless borrower, confirms the reckless financial habit, or establishes the dishonesty if such exists. I repeat, that an unanalyzed statement is worse than no statement at all. Frank and open statements, bearing upon their face the evidence of a true condition of affairs are, to my mind, the greatest factors in establishing credit. Nothing will more firmly cement the union between borrower and banker than such a statement, and nothing will be of more value to a banker and of less harm to an honest, enterprising borrower. Hidden facts are revealed by analysis, and skill in reading between the lines is an important part of the credit man's training. By this means, weaknesses may frequently be discovered and proper steps taken to avert trouble before acute difficulty arises.

Let us summarize, then, the principles and rules of the credit science of to-day.

Its principles:

1. To reduce losses.
2. To eliminate disproportionate risks.
3. To conserve worthy interests.
4. To war on dishonesty and incompetence.

Its mechanism:

1. The statement of condition, including
   Assets and liabilities.
   Annual business.
   Net result of business.
   Commercial expenses.
2. The credit department.

Its guiding rules in the present state of bank credits:

Rule No. 1. Quick assets only are a basis for loans.

Rule No. 2. Fixed assets, only considered as giving an unknown support to the quick assets.

Rule No. 3. The debt limit of the borrower has been exceeded when his liabilities exceed fifty per cent. of his quick assets (the so-called fifty per cent. credit rule).

Having made a careful review of the credit science of to-day, let us turn to a consideration of what shall be the next step in its development. At the outset we remarked that there was a growing requirement that bankers in large money centers should be expert in credit matters, it is necessary, therefore, that the means or mechanism by which we are to inform ourselves should be kept fully abreast of the times. Permit me to state my conclusion that the next step in the development of credit science will be in the direction of accuracy.

The trend of every science is toward exactness. The advance to this point justifies a further step in advance. Lower rates of interest on loans make losses intolerable. General prosperity and other conditions with which we are familiar have limited the field for commercial loans at paying rates and require us to carefully safeguard any extension of the field of loans by exact and accurate credit tests.

How shall this next step be taken? By establishing the custom of requiring statements of financial condition to bear joint certificates of a certified public accountant and of an engineer.

1. As to valuation of cash assets.
2. As to valuation of merchandise assets.
3. As to valuation of plant assets.
4. As to liabilities.
5. As to net worth.
6. As to gross business.
7. As to past results of business.
8. As to future prospects.

The certified public accountant has come into prominence within the past ten years and his profession has the guarantee of law in most States of the Union. He concerns himself with the books of account, and records and statements prepared by him have the support of such books, and the banker has the sense of security due to the disinterested and impartial nature of

the accountant's position. He may be called the referee in accountancy and the expert on cash valuations.

The engineer deals with physical matters. His valuation on merchandise is essential in determining quick assets. He concerns himself with the valuation of the fixed assets and the adaptibility of the plant to the purposes for which it is being used. His analysis of all correlated questions respecting raw supplies, vulnerability to competition, price fluctuations, trade and similar conditions are essential to a right interpretation of statements of concerns affected by such questions.

But why is this radical step made necessary?

Because: Inaccurate and dishonest statements are being constantly received. Many statements reach us which are made by irresponsible parties —clerks and under-men—and the management is frequently in ignorance of true conditions. Protection against such is essential. The radicalness of the step is only apparent, not real—as all will be benefited by the examination proposed.

The interpretation of credit statements is a technical operation, and the statements prepared by trustworthy professional men are generally more reliable than those not so prepared.

The hard and fast fifty per cent. credit rule will soon fail, and an exact and accurate study of each individual concern will take its place, each concern being entitled to credit on its merits. Working on imperfect information and applying one credit rule has resulted necessarily in a destructive policy. Accuracy will enable us to follow a constructive policy, which I believe is more nearly in accord with our position in the business world. In brief, our next step is in the direction of accuracy. This is to be accomplished by having statements subjected to searching analysis certified to by certified public accountants and engineers, and then credit will be extended strictly on the merit of the individual applying for loans.

Classification of Bank Loans.

We are a practical people who are more given to consideration of improving our methods than to reflection upon our existing greatness, or that of our predecessors. For that reason I have up to this time devoted our attention to progress in methods and means of credit research, I will now turn our attention to some practical features of the business we are doing based on bank credits. I have been much interested in determining the relative volume of bank loans on commercial paper to the various classes of borrowers. While this relation undoubtedly fluctuates widely it is my conclusion that the following statement reflects about the average condition:

	Per Cent.
Commercial loans by banks to manufacturers	50
Commercial loans by banks to commission men	15
Commercial loans by banks to jobbers	30
Commercial loans by banks to retailers	5
	100

This was ascertained from the distribution of 186 different loans aggregating upwards of thirteen million dollars.

The striking preponderance of loans from banks to manufacturers is evident from these statements. It becomes of interest to us, then, to study further these various classes of borrowers and I have prepared from the statements of some 100 concerns a set of typical balance-sheets that will bring before us some credit features, which it will be of profit to us to study with care.

The exactness of these relations is not important for our study of the principles involved in credit research. Suffice it to say that a study of the several balance-sheets will, I believe, disclose interesting comparisons. It is instructive to note in these balance sheets the relative proportion of quick to total assets.

	Per Cent.
Manufacturers have quick assets of total assets	44
Commission men have quick assets of total assets	95
Jobbers have quick assets of total assets	90
Retailers have quick assets of total assets	75

What stronger argument could we have for accuracy in our credit methods than that manufacturers, who borrow one-half the money loaned on commercial paper, have fifty-six per cent. of their assets in such form that we reject them as unknown and unknowable on account of our imperfect information and inability to determine their value.

Let us now examine into the gross sales which tell the tale of the entire managerial activity, the mobility of the quick or working capital:

Manufacturers, gross sales per $1 quick assets	$3.30
Commission men, gross sales per $1 quick assets	3.60
Jobbers, gross sales per $1 quick assets	2.25
Retailers, gross sales per $1 quick assets	2.33

Here we are face to face with the most telling factor against a hard and fast credit test in that the wide difference in results in the various lines of business are brought out. How can a uniform credit test be applied to such widely varying lines of business?

Of equal importance in showing the variations in different lines of commercial enterprise are the figures comparing the gross business done per $1 of total assets, representing as it does the total investment in plant and working capital.

Manufacturers, gross sales per $1 total assets	$1.60
Commission men, gross sales per $1 total assets	3.45
Jobbers, gross sales per $1 total assets	2.08
Retailers, gross sales per $1 total assets	1.82

Becoming more specific in our inquiry we may also come to the conclusion that if a uniform credit test fails, when applied to various lines of business, such as manufacturing, jobbing, etc., it will also fail when applied to various branches of the same line of business.

It will be noted that the gross business per one dollar of working capital varied from $1.96 to $5.22. The gross business per one dollar of total capital varied from seventy-nine cents to $2.42. Does this not further emphasize the fact that lines of business should be judged strictly on their individual merits, rather than by hard and fast rules? It would be interesting, if we had time, to compare many of the branches of these industries which vary even more widely than the grand division of manufacturers. Every consideration seems to impress the fact that one of the cardinal and fundamental principles of credit science must be accuracy in all the term implies. This forces us to the conclusion that the fifty per cent. credit rule as regards quick assets to liabilities will not long be the chief factor in fixing upon the responsibility of borrowers in the light of the wide variation among the various classes enumerated. The time is coming when we shall be compelled to secure information which is accurate and reliable, and which has behind it the weight of certification and proof.

As to the future: We are naturally looking forward to extending commercial loans at paying rates of interest. Inasmuch as loans, which are secured by assets not readily convertible into cash, are those which are subject to higher rates, it seems probable that the field of the manufacturer, now representing fully one-half of the loans direct from banks, is entitled to the most careful consideration in the study of bank credits, and is of such importance as to demand of us intelligent examination and scientific treatment.

The manufacturers of the United States, numbering upwards of 500,000 concerns, have a gross business of, probably, $13,000,000,000 requiring an investment in plant and working capital of $10,000,000,000, the working capital being something under $500,000,000, a volume of business and extent of investment which are stupendous in the extreme. The manufacturer is essentially the prime mover of commerce, and has to carry a large investment in plant and machinery. Invention and improvement of machinery and products are continuous, thus making large inroads into his sinking fund for renewals and scrapped machinery. He must maintain large stocks of raw material and be secure in the continuity of his supplies. He must carry large values in goods in process. He must risk the fluctuations in the

cost of raw materials and sales value of his finished goods. He must take chances on changes in style and be at the mercy of the caprice of fashion. All of these considerations should lead us to count upon the manufacturer as substantial, conservative, keen after business, acute for economies, and the extent of his investment should give him such an intense personal interest in his enterprise that we should expect to find him the most promising of our applicants for loans. But to handle this business safely and wisely demands accuracy in our credit methods.

In conclusion, permit me to say that credit science occupies a prominent place in commercial affairs. The requirement of credit is a proper and necessary condition of business, and the usefulness of credit is firmly established. Every consideration demands of us that as this science develops it shall be firmly established in all respects upon substantial principles, and as its rules and customs are unfolded from time to time that they shall serve to strengthen jointly the bank in extending credit and the borrower in taking advantage of the credit. It will require joint and harmonious action on the part of all interested in bank credits to successfully accomplish the forward step which has been outlined in these remarks, but if this is accomplished, judging from our experiences in the past, the results will be of surpassing value to the entire commercial community. Let us restate, then, the principal facts regarding this advanced step:

1. It shall be in the direction of accuracy.
2. Statements of condition shall be required of borrowers bearing the certificate of certified public accountants and of engineers.
3. Statements of condition shall be invariably analyzed faithfully and accurately, and with all the thoroughness, weight of experience and knowledge which can be brought to bear upon them by our best organization and equipment.

Mark Twain and H. H. Rogers.—The "World's Work" for May tells for the first time the story of Henry H. Rogers' service to Mark Twain. It began long before the Standard Oil man knew Mr. Clemens. Once years ago, Mr. Rogers read "Roughing It." He not only read it again, but he read it to his wife and to his children. He said, "If I ever have the chance to help the man who wrote it, I will." And the chance came.

When Webster & Company (of which Mark Twain was a member) failed, every asset of the famous humorist, including the copyrights of his books, went down in the wreck. It was what is called "a bad failure." Mr. Clemens surrendered everything. Not long afterward, he walked into the Murray Hill Hotel one night with Dr. Rice, a well known New York specialist. A man with a white mustache was seated on a divan in the middle of the lobby.

"There's the man you ought to know," said Dr. Rice, "and he'd like to know you. That's Henry H. Rogers."

Dr. Rice presented Mr. Clemens. Mr. Rogers knew of the Webster failure. He asked permission to be of service. In forty-eight hours he was managing the author's business affairs. He gave his time, worth thousands of dollars a day, to recoup the fortunes of a broken literary man. Into it he put all his business acumen and energy. He found that Webster & Company owed Mrs. Clemens personally $65,000 cash lent from her own pocket, upon the firm's notes. He made her a preferred creditor, and to secure the claim gave her the copyrights of her husband's books. In this way the books were saved for Mr. Clemens. They have been his principal assets. They were worth more to him then than the gift of half a million dollars in cash. Mr. Rogers saw Mr. Clemens safely through these trying business troubles. But he did not stop there. Ever since he has, with a few others, constituted himself a guardian of Mr. Clemens's business affairs. Last year he aided in consummating the deal for the publication of Mark Twain's complete works, which placed the author beyond financial care for the rest of his days. Out of that service has grown an affectionate friendship between the men.

BANK CREDIT—ITS CHARACTER AND USES.

[Address before the City Bank Club, April 19, 1905; by J. C. Martine, of the National City Bank, of New York.]

It appears to be necessary that the man who is to succeed in any calling should first thoroughly familiarize himself with the details of the profession or the business that he is to follow. The "captains of industry," of which we have heard so much during the past decennial of prosperity, have not attained by chance the position which they occupy; but so far as my observation has extended there seems to be evidence in every case, not only of the presence of the energetic personal magnetism which has made them men-leaders, but also of the constant effort to know every detail of the businesses in which they have forged to the front. Select, if you please, the successful man anywhere, engage him in conversation; let it drift into the line of his daily occupation, and you will note at once the look of animation, the increase of interest, the loosened tongue as he describes every detail of manufacture, of finished product, and of its distribution. To him work is not the humdrum endurance of "nine" to "five," but the interest, amounting almost to passion, of the man absorbed entirely with a dominant mental ideal. If he is a shoe merchant, his hobby will be shoes. He will know shoes as you or I know the alphabet—not a detail escaping his attention, from the statistical position of the cattle grazing on the great western prairies to the fit of the finished shoe as it encases the purchaser's foot.

In view of all this, although a subject dealing with our daily routine would have been my probable selection, there seems to be no need of apology for speaking to you about bank credit, its character and uses; for the banker is really a manufacturer and dealer in credit, and his stock in trade is, naturally, a theme of intense interest to him. He carefully watches the daily influences that affect its supply, quality, demand, distribution and retirement, just as the grain merchant daily scans the statistical position of wheat and corn.

The Beneficent Influences of Credit.

Credit has been very well described by a prominent American speaker as one "of the most powerful and beneficent influences operating in human society," and its far-reaching effects are exceeded perhaps only by those of production and transportation, and even these would lose much of their usefulness without the aid of credit. The element upon which it rests is confidence. The owner of something of value believing in the ability and willingness of the borrower to return it in due time, allows him for a consideration to use it. And the borrower, perhaps without regard to moral standing otherwise, is very careful to cultivate and strengthen this feeling on the part of the lender by maintaining a good business reputation. He pays his debts promptly, while using his best judgment to enable him to transact the full extent of the trade which he can control. If he miscalculates, failure follows, not only bringing disaster to himself, but affecting to some degree the whole structure of credit. For so closely do the business men of the country stand elbow to elbow in their commercial relations that but a slight shock to the confidence reposed in brother merchants is needed to pass a shudder through the entire line.

As each credit transaction necessarily involves time, some have claimed that this is really its leading essential, numerous cases being referred to where the borrower's standing is scarcely considered, the loan being secured by collateral. In these instances, however, the lender always trusts the borrower, the security being only available upon default in payment. On the other hand, the effect of credit on time is very marked, for in making

values available at once that otherwise would materialize, thirty, sixty or ninety days or more in the future, future values are immediately cashed by credit.

To the borrower credit is capital, for he certainly has increased that from which he obtains income, or more capital. But although it may be properly spoken of as his capital, yet taken as a whole credit is not capital. If Smith gives Jones his note for ten thousand and Jones returns the favor, the proceeds increase their capital twenty thousand dollars, less the discount; but the lender's capital is reduced the same amount, and taken as a whole the creation of credit has not increased the volume of capital. Credit then merely increases the commercial value of capital by facilitating its transfer and increasing its mobility, and only from the point of view of the isolated borrower can it be otherwise considered.

But we are dealing now with a particular form of credit possessing all of its usual characteristics, and something more, for bank credit is commercial credit divided or combined to suit the convenience of the debtor and the creditor and bearing the endorsement of the banker. In this form, vastly increased in its capacity for commercial use, it is the merchandise of the banking counter, being the manufactured product which the banker trades in. Except in rare instances of the deposit of gold, the banker buys credit from the depositor and pays for it by giving him the right to draw when he enters the deposit in the passbook. As Macleod shows so plainly in his exhaustive discussion of the subject, except in the case of special deposits, such as securities, the impression given by the word deposit as applied to bank deposits is an entirely false one. The relation of warehousmen never exists, for what depositor would think of insisting upon receiving the identical dollar which he deposited. The distinction, although a fine one, is not wholly academic, however, because it is fundamental to a clear understanding of the operation of bank credit. When the depositor makes a deposit, as we say, he sells the credit represented by the checks and currency to the bank, absolutely parting with his title to it, and the right against the bank which then exists is the consideration for the transfer of title. The banker then takes the credit which he has purchased, endorses it, for he assumes full liability to the depositor, and then sells it for interest consideration to the borrower. Material money seldom enters into the transaction except as the book accounting is expressed in the terms of money, and the amounts could just as well be given in apples or oranges as dollars if these were universally accepted as the standards of the relative worth of things. Less than three centuries ago accounts were kept in Virginia in tobacco and in New England in corn and cattle. The depositor then deposits checks for dollars and draws his own checks against them, and so on, and the bank gives its Cashier check to the borrower, and he deposits it and drawing against it starts another "endless chain."

These operations produce bank credit in character as delicate as the web of the spider, spun over night; subject to the slightest jar of distrust—yet, when firmly cast upon actual business transactions, forming one of the principal sources of national strength. Bank credit enters as an influence of importance into nearly every department of commerce and industry. It provides seed for planting, implements for harvesting, warehouses for storage, transportation to market, and finally the facilities of distribution to the consumer. By its helpful aid looms weave cloth for our clothes, houses are built for our homes, and amusement is provided for our pleasure. It builds railroads, encourages inventive genius, regulates speculation, manufactures machinery and assists governments. Perhaps the most responsible of positions in the economy of business administration is that of the banker when he replies "yes" or "no" to the expectant borrower, exercising, as he does, final judgment on business ability, the arbitration of mercantile controversy —an important influence in the relations of countries, particularly in time of war.

Regulation of the Volume of Bank Credit.

The volume of bank credit is regulated by the commercial activity of the people, for it is created, in a properly-regulated banking system, to aid production and is retired by the processes of distribution and consumption. This insures for it automatic expansion and contraction, and so long as these

conditions exist the creation of credit will have no appreciable effect upon prices. Just the amount of credit that may be issued must necessarily be left to the banker, with the important restriction that he must always be able to meet his obligations in lawful money if required to. Any arbitrary limit on the credit volume interferes with the natural adjustment of prices, and if the limit is placed too low the price of credit, called the interest rate, will rise and the prices of commodities expressed in money terms will fall, inducing the sale of the latter to foreign countries and attracting gold until the proportion of reserve corresponds to the legal limit. When the operation of these laws is the result of overproduction and consequent overextension of credit, they act as a corrective of great value; but when the credit volume has been diminished merely because of artificial regulation, as by legal restriction, the results are a hardship to the merchant, for he must sacrifice his merchandise to provide gold for the bankers' reserve, even though he has not by overstocking been a party to the cause of price depression.

While it is of first importance that the banker should have sufficient cash to deliver it when called for, and also that the consensus of bankers' judgment is the proper basis for the extension of credit and the consequent effect upon the money rate and commodity prices, yet it is also well to bear in mind that to the commercial world the money reserve merely acts as a weather gauge indicating "fair weather" or "squalls." The amount has no natural relation to the deposit line so long as the banker retains the confidence of his depositors. This is illustrated by the fact that the great banking houses of this city with unknown reserves are quite as strong in public estimation as the banks that publish weekly statements showing twenty-five cents of lawful money on hand for each dollar of deposits.

The method of providing for the credit needs of merchants in this city during the autumn currency "squeeze" illustrates how safely may be entrusted to business men the ways and means of conducting business. The usual demand from the West and South for crop-moving purposes soon shows marked effect on the deposit line, for every dollar shipped enforces the liquidation of three dollars of loans and the withdrawal of the sum total of deposits. But this does not continue long, for as accommodations become more difficult to obtain the money or credit rate advances, and after but slight rise it begins to be profitable for trust companies to lend. Those who would insist upon full reserve requirements for those institutions perhaps overlook the fact that they could not then afford the relief which they now give to the money rate, and the consequent valuable service to the merchant, for under the present arrangement there is but slight limit to their loan line other than the careful judgment of the capable and experienced men who have them in charge, no better being needed. In the meantime, however, no distrust is caused, for the public eye is on the bank statement, which reveals twenty-five per cent. reserve, which by custom is the figure which inspires confidence. Perhaps but few consider what the effect would be if loans and discounts really contracted as sharply as they sometimes appear to.

Vast Importance of Deposit Currency.

One of the principal uses of bank credit is the medium of exchange which it affords by checking of deposits. Every year witnesses an increase in the use of checks, and the development of this feature of banking is usually a fair indication of the degree of commercial advancement which any country enjoys. In this country and England a large majority of the settlements for business transactions are effected by the debit and credit entries to the accounts of customers on bank ledgers. So nearly do these operations coincide with the exchange function of money that the vast volume of checking has been very appropriately styled "deposit currency." A little consideration reveals that this is ideal as a circulating medium, for the debts of merchants when discounted at bank are the deposits against which checks are drawn. They become claims on bankers, transferable again and again, and only being finally cancelled by the maturity on liquidation of the original or some other bank-endorsed debt. The deposit line, which is the limit of deposit currency volume, follows in its rise and fall the expansion and retirement of loans, and as the volume of credit measures the period of pro-

duction and distribution of the articles of commerce, the supply of currency must always bear close relation to the needs of merchants.

Utility of Bank Notes Based on General Assets.

Similar to the book credit in many respects is the bank note secured by banking assets issued in nearly every country except our own and believed by many to be second only to the deposit currency in its beneficent mercantile possibilities. It has been aptly said that if checks are the currency of commerce a bank note should have equal privilege as the currency of trade. For reasons of convenience it seems to be quite unwise to expect people to settle small transactions of retailing with checks and in most cases the uneducated are not liable to use a check at all. Certain sections of the country educationally inferior are always pretty sure to employ bearer currency proportionately more than other parts where the people are more advanced. Should they not also enjoy the commercial advantages afforded by asset currency? These include all of those which are characteristic of credit including stability of prices, elasticity of volume, adaptability to the needs of the user, and the proper regulation of the money rate and the exchanges.

But although the bank note appears to be practically the same as the book credit, there are certain small differences which play an important part in its circulation. Being payable to bearer it passes from hand to hand indefinitely, settling numerous and varied transactions instead of, like a check, being cancelled and reissued frequently. This lack of domesticity gives the cue to the indiscreet banker who may endeavor by interest concession to induce the circulation of his notes in remote places, interfering to some degree with the perfect ease of redemption which should characterize a system of credit currency. Bearer notes are in the hands of people easily affected by rumor, and for other reasons also are liable to rapid contraction, and need a larger money reserve to insure prompt redemption. But with the carefully-planned homing and reserve restrictions which are being worked out it would be interesting to give it at least a trial in place of our present currency system. Currency based on the assets of the issuing bank is in accordance with the "banking principle," while that secured dollar for dollar in coin is issued under the "currency principle."

Panics—Their Causes, and the Remedies.

As trust is the foundation of credit, so distrust is the cause of panics. People after a while begin to trust less judiciously, and a few failures among overconfident borrowers causes the banks to look more closely to their credits and leads to the refusal of loans when they are most needed. Panics in business come very regularly and may be traced as far back as 1682, occurring five or six times in each century. Although the conditions which produce them have been clearly shown to have been repeated over and over again, yet the business and financial interests, and perhaps more important, the legislative bodies, follow the same methods that have marked their conduct in the past. And perhaps this is well in a way, for it is an ill wind that blows no good, and panics serve the purpose of readjusting the ownership of wealth occasionally and prevent the over-accumulation of the world's good things in the hands of a few. A period of panics is followed by a surplus of loanable funds, which tends to raise prices, which in turn induces manufacture and gradually develops prosperity, followed by overproduction, pressure for sale in the market, diminished relative values, and since these are the basis of credit, sharp contraction in loans and deposits. There are two remedies, the old one being to refuse additional accommodation on the theory that a readjustment is needed. This is called the restrictive theory, and is opposed to the expansive theory, which aims to restore confidence by loaning freely where sound business reputation for character warrants it. This has been followed very successfully in this country, by the issue of loan certificates by the clearing-house, bearing interest at the legal rate. The banks needing assistance deposit their securities to protect the notes and use the certificates to settle their balances. This, of course, for the time being reduces the reserve proportion to deposits, but as the remedy is effective the Govern-

ment has not interfered. As the banks' endorsement of credit increases the efficiency of credit during prosperity, so the issue of clearing-house loan certificates may be considered as "double-name credit," and the united action of the associated banks has thus far met with much favor in restoring confidence.

Perhaps this outline of credit operations will induce further investigation in which you will no doubt be fully repaid by increased knowledge of laws which have so important a bearing on banking operations.

PECULIARITIES OF CHINESE BANKING.

Apparently the Chinese banks of Hangchau have survived the crisis of the Chinese New Year and have commenced the year with prospects of success. All the banking business of Hangchau is in native banks, none of the foreign banks of China having a branch here at the present time.

Chinese New Year generally brings a failure or two in every city of consequence in the Empire. This year two Hangchau banks were reported in extremis, as a result of the failure of two native banks in Shanghai, the Shanghai concerns being in trouble by reason of the failure of Canton banks. The general understanding is, however, that they realized upon some of their securities in time to meet all the obligations which faced them at the close of the year.

To appreciate the position of the Chinese banks at New Year it is necessary to appreciate the position New Year holds in the business as well as the social economy of the Chinese people. The Chinese New Year is the one great holiday of the Empire's people. All business ceases for several days each year to celebrate it. This year the celebration proper covered four days, February 3, 4, 5, and 6, and during that period there were no mails into the interior from the coast, all steamship and mail connections between Hangchau and Shanghai ceased, daily newspapers were not delivered, if they were published at all, and everything was given over to celebration. The official celebration lasts for two weeks and the offices of the provincial governments are closed during that period or longer.

But more than this, in a business way, it is a rule of Chinese business and society that all debts shall be paid at the Chinese New Year. Possibly they will have to be paid through the contraction of new debts, but paid in some form they must be. The attempt is, of course, to pay them in money. The drain upon all banks is something enormous. It is very much as it would be in the United States if all debts were made payable at the same time, and banks should refuse credit until they knew what the outcome of the situation was to be. The exchange between Hangchau and Shanghai ordinarily is about forty cents on $100. For ten days previous to the Chinese New Year it has been $1 on $100, the promise being that it will return to the old rate after the New Year is past. Interest rates demanded of the patrons of banks for loans over New Year will run as high as twenty per cent. a month. As a matter of fact, loans among natives at from four to six per cent. a month are common at all times. There is not enough money in China to properly transact the business of the Empire, and what money there is does not go as far as it ought to go because of the inadequate means of communication and the extortionate rates of exchange.

Banking business in China is hazardous at best, and when the pressure of a custom like that surrounding the New Year comes, it takes skillful management to keep a concern going and at the same time make money. The business of China generally is subjected at all times to drains and tolls, to discounts and exchange charges on the part of banks, which would not be tolerated in other countries, and this trouble, as well as the financial distress which surrounds the Chinese New Year, will not be done away with until the Empire has a monetary system which will make ruinous discounts between varieties of money impossible and which will allow the augmentation of the actual metallic monetary volume in the nation with paper currency of a sort now impossible. One of the chief anxieties of business people in some of the larger cities of China at the close of the year is to weed out of their collections notes of native banks which are expected to fail.

The general banking and financial situation in Hangchau is unusually sound, as matters go in Chinese cities generally.

GEORGE E. ANDERSON. Consul.

Hangchau, China.

New Counterfeit $5 Silver Certificate.—Series of 1899; check letter "C;" plate number 602; J. W. Lyons, Register; Ellis H. Roberts, Treasurer; portrait of Indian chief. A dangerous counterfeit, printed on two pieces of paper, between which silk threads have been distributed. The color of the silk has "run," showing red spots on the surface of the paper. The counterfeit is nearly a quarter of an inch shorter and an eighth of an inch narrower than the genuine. The shade of blue of the seal and large numeral on the face of the note is very much lighter than that of the genuine. The number of the counterfeit under examination is poorly printed, sections of some of the figures being omitted. The body of the face of the note is well executed. The back of the note is several shades darker green than the genuine. The white oval spaces in the outer edge of the genuine seal do not appear in the counterfeit.

HOW A TRUST COMPANY MAKES ITS MONEY.

The New York chapter of the American Institute of Bank Clerks held its regular meeting at 32 Waverly Place on the evening of April 27. Papers were read as follows: "Bank Advertising," by E. F. Feickert; "The Credit Department," by E. M. Reilly, and "Collateral Security," by G. F. Bearse, Jr. The regular address, which is one of the features of the Thursday evening meetings, was delivered by T. W. Lamont, second Vice-President of the Bankers' Trust Company, who spoke on "How a Trust Company Makes its Money." Mr. Lamont said in part:

"There is always one great disadvantage in a man like myself addressing you gentlemen on a banking subject, for the chances are that some of you are bound to know a good deal more about the subject than we do ourselves. I don't suppose that on the whole there is any group of young men, working on the same line, who are so intelligent, so well versed and so keen on the detail of banking as you gentlemen who meet here week after week. It must therefore be a bold man that will attempt to tell you something new about any form of banking work. And all that I dare venture to do is to refresh your memories as to some points which you must already know.

The exact title of my subject, as I see, is "How a Trust Company Makes its Money.' This at once leads me to remark that an impression seems to prevail that trust companies make enormous sums of money—a good deal of it very easily—and that their ways lie along much pleasanter paths than do those of the banks. Many people seem to believe that trust companies have hidden and mysterious sources of profit and that to them wealth rolls in on a flood tide. This impression is a wrong one, and I cannot imagine how it ever arose. After I have explained to you a little later what a hard time trust companies have to make money and what a melancholy life their officers pursue, I am sure your hearts will go out in pity for us trust companies and you will hug yourselves with satisfaction at the thought that only a few of you here are connected with such institutions.

What a Modern Trust Company Is.

Before talking with you on 'How a Trust Company Makes its Money' I am going to ask you to go back with me a little and—even at the risk of tedious repetition—see again just what a modern trust company is and how it differs from a bank.

First, as to organization: We are State institutions, as you know, and like our State banks are guided by the regulations of the Banking Department at Albany. We are compelled—and very properly, too—to set aside and invest our entire capital in securities of the stablest possible character—like New York city bonds, we will say—and then to deposit at Albany one-tenth of this invested capital of ours. We are subject to examinations twice a year by the Superintendent of Banking, and twice a year in addition we must submit a detailed statement of our condition to him. In fact, by a law just passed we must make quarterly statements. Many other regulations there are which we must comply with—all of them excellent and all of them tending to safeguard our depositors and the public at large.

Our organization having been completed along these careful lines we are ready to start in business and to make money. How, then, do we trust companies make our living?

First of all, like any other banking institution, we make it in securing the deposit and use of money at the lowest cost possible, and in renting that money out again at the highest cost consistent with conservatism and safety. Thus far we are just like the banks, but most of us trust companies—I am speaking now of the downtown trust companies—most of us,

I say, cultivate our deposit business along far different lines from those of the banks. The banks seek active deposit accounts, paying for them either a low rate of interest or nothing at all, and turning around and discounting the paper of their depositors who are in good standing.

Differences between Banks and Trust Companies.

We trust companies, on the other hand, do not seek—rather we avoid—the active accounts. We look for the dead or inactive balances; we pay a fairly high rate of interest to secure them, and thereby we are absolved from loaning such depositors any money except upon collateral. Inasmuch as our balances are far less subject to fluctuation than those of a bank, we can afford to lock up a greater proportion of our deposits in time loans of distant maturities. A bank likes to limit its discounts to three, four or not over six months at any rate. We trust companies, however, with our stable deposits—many of them on certificates of a year or so—can readily afford to make longer loans, and on such long loans of course secure higher rates. Not infrequently you hear of a trust company making a loan for six months, with the privilege of two or three renewals, when a bank could not consider such a proposition. So you can see that there is a considerable gulf fixed between the banks, with their active deposits and usually short maturities, and the very inactive balances and longer loans which a trust company can safely undertake. This point of difference shows nowhere more strikingly than in the interior organization of a bank and a trust company. Your bank, with, say, twenty million dollars of deposits, must have a clerical force of at least seventy-five and more, probably one hundred competent clerks. Am I not right? But a trust company—if I may be permitted to give my own company as an example—handles a deposit business of well over twenty million dollars with a force of less than twenty clerks—so inactive are our balances.

You banks, then, pay much less for your money than we do, but we have the advantage in paying far less for our working organization than you do. And we are not compelled to lock up from fifteen per cent. to twenty-five per cent. of our deposits as a cash reserve.

To answer, now, a part of my own question as to how trust companies make their money, my first reply is that on the banking end we make it on precisely the same principles as you banks do, but in a different method, and on the whole in a lesser degree—for on 'interest' account alone you undoubtedly make more by a good deal than we do.

Profits of the Trust Department.

But where we do make money over you is, of course, in our trust department. In this department we execute individual and corporate trusts of every description; are empowered to act and do act—I might almost say—as rich man, poor man, beggar man, chief, doctor, lawyer, merchant—I won't finish the couplet, for, as you know, trust companies are always most moderate and reasonable in their charges! Nevertheless, in this trust department of ours we make some money—now and then. How do we do it? In various ways, as, for instance, acting as transfer agent or registrar of stocks. You are well aware that no stock may be dealt in on the New York Stock Exchange until the exchange committee has satisfied itself that a competent trust company is appointed either as transfer agent or registrar of the stock. And this work, which is simple, yet requiring great care and considerable responsibility, we will undertake for a consideration. For example, for performing one of these functions covering a stock in which there is a good deal of activity, we receive an annual fee of several thousand dollars, and if we secure enough of these transactions the thousands amount up quickly. In fact, it is a matter of common knowledge, I believe, that the Hudson Trust Company has for its chief business the acting as transfer agent in the enormous transactions of the United States Steel stocks.

Another pleasant form of work and compensation which we secure is the trusteeship under mortgages. Any corporation, large or small; in issuing a mortgage executes, as you know, a trust deed turning the property or securities, as the case may be, over to a trust company as trustee, to be held for the benefit of the bondholders. We then in turn execute a cer-

tificate upon each bond—not to the effect, of course, that the bond is a good investment (for that is entirely outside our province), but to the effect simply that the bond is one of the series issued under a certain mortgage.

The work of the trustee not only prevents the issue of false bonds, but in case of foreclosure and under many other circumstances acts as a protection to the bondholder. So it is proper that the trustee should be amply compensated. But charges have been cut down of late years, and fifty cents per bond—except in small issues—is almost all that can be looked for. Of course, however, with a big mortgage like the new Rock Island refunding of $160,000,000 (or the Southern Pacific $75,000,000)—fees of $80,000 and $37,500, respectively, come in very handily for the poor, hardworking trustee. One of our large trust companies received, in a recent year, I am told, not less than $180,000 for certifying bonds alone.

Aid Given to Great Commercial Industries.

Another highly profitable form of work for us consists in acting as a clearing-house in some huge combination of industries—in the organization, we will say, of a steel or a tobacco trust. In receiving the deposit and making the exchange of a vast amount of securities, running into many millions of dollars, the work is arduous, requiring the utmost attention to detail, a thorough knowledge of legal technicality and a force equipped to dispatch an immense amount of work quickly. For rendering such services, even in some of the lesser industrial combinations, a trust company has been known to receive an outright fee of $75,000. Acting also as depositary under reorganizations is sometimes a source of excellent revenue to us, and some people say that trust companies welcome bad times as well as good, because they then receive so many profitable reorganizations. But, of course, that is base slander.

Then, too, in our trust department now and then we turn an honest penny when we get jobs to act as assignee or receiver. Receiver's fees, especially when passed upon by a liberal minded court, are likely to be extremely gratifying in their size, and trust companies therefore are always in a receptive mood on the subject of receiverships.

Estate business and individual trust of every description are pre-eminently within the province of our trust departments, and this class of business is growing day by day. Many of the largest estates in the country are managed by trust companies. A man about to die and leave a large fortune dare not put it in the hands of less competent heirs, or has no friends whom he is willing to trust, or again wishes to have his estate kept intact for many years and handled according to certain definite policies. How better could he realize his desires than by putting his estate in the hands of a corporate and permanent body like a trust company? For managing such estates our compensation is none too large. The fees, which are proper according to State laws, figure out about like this: Suppose we take over and administer a personal estate amounting, we will say, to $500,000. Upon receiving the estate we would make a charge amounting to about $2,600; we should receive a certain small percentage of the annual income during the period that we manage the trust, and then upon relinquishing it to the heirs another payment of a trifle over one-half of one per cent. Some of our older trust companies, of course, have an enormous estate business, and the annual fees of one of them, I am told, are close on to $300,000 in this department alone.

Other ways in which not a few trust companies clear up excellent profits each year are by the purchase and sale of securities—not infrequently through a regularly established bond department, we will say, in dealing in foreign exchange and in the renting of safe deposit vaults. But all these latter means of profit are in no way peculiar to trust companies and are shared equally by the banks. Therefore I will not elaborate on them.

It is in their trust departments that those profits which are peculiar to trust companies lie, and I am afraid that in simply enumerating the ways in which we trust companies make both ends meet I must almost inevitably give the impression of a long list of fat fees and handsome commissions. In order to strike a right balance I ought really to address you for another fifteen minutes on the subject of how a trust company can lose money. For

the trust company business 'isn't all beer and skittles' by any means; it has its hard, discouraging sides, and many of them at that. And it is precisely as difficult and long a road for a trust company to acquire profitable trusteeships and build up its deposits (which must always be the backlog for its business) as it has been for the splendid banks which you gentlemen here to-night represent, to build up their reputation, their huge balances and the public confidence of the community.

But in this hard and uphill work both you in the banks and we in the trust companies have mutual inspiration in seeing the work of our institutions becoming a great factor in building up the industries, and so the happiness of the country. You, each one of you, see your bank furnish the credit—sometimes almost the capital, to create and foster great businesses and industries, to promote the commerce and enlightenment of the world—while we of the trust companies, side by side with you, are steadily working—if not in precisely the same way—yet for the same high and honorable and excellent ends."

Where are the Policyholders' Stables?—In his "Twenty-eight Years in Wall Street" Henry Clews relates that on a certain occasion the late W. R. Travers was admiring the yachts in the harbor at Newport. He inquired of a friend, who were the owners of the yachts. The reply was that they belonged mostly to New York stock brokers. Travers, who was a broker himself, and somewhat given to stammering, after thinking a moment, said: "Where are the c-c-customers' yachts?" In view of the recent fight in insurance circles, the same inquiry suggests itself on reading the following:

"James H. Hyde, the storm center of the Equitable fight is reputed to have the most splendid stables in America, says the May 'World's Work.' There is a special room devoted to the harness, spotless and shining as table silver. In a case are curbs, bits, bells, stirrups and whips. There are carved wooden cases, containing a veritable museum of old stirrups, postillion whips and hunting horns, and a great hall containing not less than twenty-eight carriages.

The stables are ruled over by Francois Guillot, a true Parisian, who served W. K. Vanderbilt for ten years. A lady visitor to the stables admired one of the horses extravagantly, and Guillot turned to her and said simply and earnestly: 'You will only have to tell Mr. Hyde the horse pleases you; I am quite sure he will give it to you.'

Mr. Hyde has an office in the stable, a room full of telephones and electric bells, furnished with fine carpets, old mahogany furniture, sporting photographs and prints, coaching trophies and hunting horns. Next to his office is the kitchen, which permits him and his guests to come when the whim seizes them and have supper in the stables more freely and gaily than in the chateau. I remember a very festive supper that we had there with the thermometer outside fifteen above zero, where ladies donned old postillion hats or bull-fighter bonnets and blew hunting horns while everybody danced the cake walk."

The Law Relating to Trust Companies.—The report of the condition of the trust companies of New York showing deposits amounting to more than one billion of dollars, makes exceedingly timely the summary of the Banking Law of New York State, as applied to these institutions, recently published by the Lincoln Trust Company of New York. Under the title "The Law's Safeguards," and prefaced by a few pertinent words on general banking conditions, this brochure quotes all the salient features of the statutes governing and restricting the trust companies in their disposition of the funds on deposit, their administration of fiduciary offices, and their relations with the State. The compilation is valuable and instructive, not least so in pointing out that there has been no failure of a New York trust company in twenty years, never but two in all—*no fiduciary client ever losing a dollar of deposits*—and only one impairment of capital. The record is a remarkable one, and fully justifies the confidence reposed in these financial institutions by all classes. The brochure referred to is printed with tasteful elegance, and it is not sold but may be had upon request.

THE SUCCESSFUL BANK CLERK OF THE FUTURE.

A REVIEW OF THE BANK CLERKS AS THEY WERE AND ARE, AND A PREVIEW OF WHAT SOME WILL BE.

It would make very interesting reading to have short sketches of the men who are now prominent in the banking world, as Presidents, Vice-Presidents, Cashiers and Assistant Cashiers of the leading banks, who have arisen to their present positions from the ranks of the clerks—if the sketches told us how they had arisen. Occasionally we are given such sketches, and they stimulate the average ambitious clerk, so that he thinks, or says: "If he could do it, I can"; and onward and upward he presses.

It is unfortunately true that with many people success is measured only by figures that represent dollars; it is either how much money the man has made, or how much salary he receives. Many a man has made a success of his chosen work, or allotted task, who has not gotten from it much more than enough to provide for himself the necessities of life. Nevertheless, he may have made a grand success of his work, when his abilities and opportunities are considered; whereas, many another man, who has gathered together considerable wealth, or attained a high position, was really not successful, because he fell far short of what he should have accomplished with the abilities and opportunities given to him.

During the past few years, since the American Institute of Bank Clerks with its various chapters and studies came into existence, much has been written and spoken about what the clerk should do to succeed. The "Institute" has done much to help make comparatively easy of accomplishment the things that were previously almost impossible to accomplish; so that success should be more easily attained now than it was ten years ago.

Some years ago it was the custom when a young man took a position in a bank to give him to understand that the desk in regular order above him was the one he would get next; and that promotion would be step by step from the start until finally the time came when he could occupy the Cashier's chair and receive his title; but the promotions came only when a man either died or resigned, or when one refused to be promoted. No new positions were supposed to be created, and there was little, if any, incentive for the clerk to learn anything more than the few necessary points of the desk next in order, to which he hoped some day to be promoted.

It is an old saying, that "bank clerks never resign and but few die." The saying is not true; but to the man anxious to take the place of the one ahead of him it often seems true.

Many a man who began his lifework in a bank with bright hopes of early advancement is still serving in a more or less humble clerical position, and is about as hopeless as a rudderless ship. He is either resigned to his "fate" and takes it stoically, or he feels sore about the time wasted in being a bank clerk, and is free with his complaints about the lack of fair treatment shown him, or he deplores the fact that he has had no "pull."

The inauguration of the work of the American Institute of Bank Clerks was an eye-opener to some of these men; they had no idea of the possibilities of banking. Some of them have taken advantage of the opportunities to improve themselves, and thus qualify themselves for the better positions that are to be had by the men who are prepared for them when the openings occur.

On the other hand, some say: "What is the use of qualifying for the better places? If a President or Cashier, or a man for one of the higher positions is wanted, one is often chosen who has not served in a bank at all and knows nothing about its inside workings; while we, who know the

business and have given the best years of our life to the work, are given no encouragement at all." This is often true, and it may be explained by the fact that the man who got the place had more influence outside and could bring more business to the bank. Another reason may be that none of the men in the bank were prepared for the place; they may have thought they were, but length of service is not always sufficient preparation, and they did not show by their works that they were prepared. Then, too, the clerks may have been working in ruts, worn deep with years of constant use, and some one from outside was needed to repair and rebuild the road and do away with the ruts.

The ambitious clerk usually has the Cashiership as his goal. Some will not reach it, for if every one is to have a Cashiership more banks will have to be organized; because there are not enough such positions for the men who now desire them. Furthermore, every clerk is not fitted to be an officer —he may not have the natural physical or mental qualities necessary for making a success of the work. A good clerk may make a very poor officer, and a man who is poor at clerical work may be a grand success as an executive. Executive ability is necessary for success. The President of one of the large banks in the East, who has been very successful as an executive, was very poor as a clerk—at least, so those say who worked with him. While another man, in the same city, who was an excellent clerk, has not made a success of the bank in which he is an officer. Other cases of this kind are known to bank men.

The Coming Successful Clerks.

So much for the past and present condition of many men in the banks. Let us now consider the coming successful clerks and what they will do.

It is recognized in almost every line of business, outside of banking, that the man who desires to make a success of his work must be a specialist. This has not been recognized by the bank clerks as applying to their work, but it should be if success is to be secured.

Because the Cashiership is out of reach, and no prospect of its coming your way for years, do not become despondent and careless and fall into a rut, but look carefully and studiously into the various departments of bank work and decide which seems to appeal most strongly to your tastes and desires; then apply yourself to it with a determination to master its details and its problems, and thus qualify yourself for the work in order to make a success of it. You may not be able to get the place at once that you are prepared to fill, but by proving your ability and letting it be known to the banking world, you will in time reach the height of your ambition and be recognized as an expert in your chosen line. The reward is sure to follow if hard work has paved the way.

The ordinary routine of bank work does not allow much room for specialists, but there are new lines of work opening up that offer to the ambitious man a place in which he can become truly successful and at the same time receive a fair compensation for his services. He may not become rich in material wealth, but his fund of knowledge and his acquired ability will be his wealth and capital, and with this capital put to proper use the returns will be sure and satisfactory.

I will now consider four lines of modern bank work that need specialists. There are other lines that might be considered, but at the present time these four seem to be the most important and offer the best opportunities.

The Credit Department.

The first is the credit department. This is a very important department, and one that needs a careful and observant man in charge of it. The man here needs to know how to analyze a statement, and train himself to pick out its weaknesses and its strong points. He ought to be able to read between the lines and sentences, to understand what is an evasive statement, or a full, open statement. He should know how to get considerable information without asking the one about whom the information is wanted, for some take offense at it, because they think they have been in business long enough, and conducted their business in such a straightforward manner that all ought to

know their standing. Give offense to none, but study the men and sources of information. The credit specialist should know how to tabulate all this information so that those who have access to the records can readily understand them. He should study card systems and systematizing methods. Besides these main things he will find many more things to do to make a success of the work.

In many banks the credit department is in a very crude form; in others there is nothing that can be called a credit department, while in some others it is very complete.

"One of the most important developments in modern banking is the establishment of a thorough system of investigation and record of the credit of those to whom advances are made on negotiable paper. * * * When a bank accepts a promise to pay for the use of its own resources, it has the right to assure itself in the most absolute manner of the ability and readiness of its creditor to make the promise good. * * * Some banks take more risks than others and find occasion to write off more losses. The strongest and most successful are those that have the most thorough and efficient credit departments."—Credit Department in "The Modern Bank."

This department offers good opportunities to men who are of an analytical turn of mind and are fond of dissection—if not of vivisection, for it is, in a manner, almost that. The man who makes a specialty of this work has every reason to be successful.

Loan or Collateral Department.

The next work that draws our attention is the loan or collateral department. Here is an almost unoccupied field, and the need is great because of the increase of stock and bond-issuing corporations. The ability to know security values is not a natural gift; it is a result of much study and experience. Bank clerks are not flocking to it in droves, and it will probably be a long time before the profession of bond and stock experts will be overcrowded. Bank officers have complained of the unwillingness of their clerks to take up this study.

A gentleman well qualified to speak on this work, said: "There is a wide range of subjects upon which your information should become comprehensive: legal knowledge, engineering practice, usage in the higher walks of business. In time more and more scientific knowledge will be customary, of electricity, chemistry and mechanics. These are but the beginning of the list of subjects that will be added to your special field of banking by the studies this matter of security values will open up to you. Further, you will in a broader sense than before be qualified for the service of mankind. If enough of the bank employees of this city or country become trained analysts of securities to provide at least one to each bank, competent to give accurate information or scientific counsel to the bank's officers or directors, the benefit will not stop with the stockholders, but will extend to many who need advice in every community.

As some men should qualify themselves for this work, it is encouraging to realize that any faithful student may reasonably expect at least moderate success. Of course 'perpetual vigilance is the price of liberty' or independence of thought in forming opinions of securities. When you do not know the steps that have been followed, satisfy yourself that a competent and honest workman has gone over the ground and that his reports are given you in correct form."—From Rufus Waples, a well-known expert in this line, in a paper on "Education in Security Values."

President McGarrah, of the Mechanics' National Bank, New York, in an address said: "Speaking of propositions, I would at this point emphasize the help and advantage of becoming well posted on the merits and value of properties, whether railroad or industrial, that are largely and frequently dealt in, and by this I do not mean quotations that may be made for different months on the stock exchange, but get yourself in a position so that when a security is handed to you, you know something of the history of the company that issued it, its earning power, its relations to adjacent and competing properties and the various things which go to make up its actual value, irrespective of whether its quotation on the stock exchange is going up or down. Those of you who are now in

loan departments, do not get your eyes so close to the ticker that you are unable to see anything beyond it. When you accept a collateral, satisfied from your own investigation that there is absolute value behind it, you need not get worried because some brokers get excited when a Boston philanthropist sends a telegram advising people to sell what they do not own."

Does this line of work attract you? If so apply yourself to its studies and in time you will prove that you have made a success of it.

A work that in commercial lines has helped build up great business houses will help do the same in banking—it is advertising work.

The bankers who desire to increase the business of their banks, and hold firmly that which they now have, are coming more and more every year to see the need of advertising. So much is this true that at some of the recent conventions they have had addresses given on the subject. And banks are doing more and more advertising, but as yet very few of them are doing it in accordance with modern successful methods. The usual custom with bankers is to take space in some of the papers and have their card carried in that space—the more prominent the space the better it is and, of course, the more it costs. But this is not in the line of modern advertising. An advertisement to be really successful nowadays must tell a story (not a lie), or fact, in a way that is attractive, impressive and inviting. And, unless it is an unreliable concern or a get-rich-quick scheme, it must always tell the truth and not exaggerate in any way. For only by doing this can the advertiser expect to hold the business gained—and that is very essential in the banking business. Drifting accounts are undesirable accounts.

The man who desires to make bank advertising his specialty has many things to learn, and has practically an unoccupied field. Among the things he must learn are these: How to write the "ad"—what points to emphasize and what to treat lightly; how to prepare his copy for the printer, and the kinds and sizes of type to use to bring out the emphatic parts; what mediums to use to present his bank; and to do this he must know the class of people to which the paper goes that he thinks of using, and its value for the proposition he has on hand. He should also know what advertising schemes to refuse to use, and what ones might be of help and interest to the present customers and the desired ones. He should also know about combination of colors for any color work that he may want to get out. Besides these things he should be somewhat acquainted with the grades and qualities of papers, and know what kinds to use for certain purposes to produce best effects. Good things are sometimes spoiled by being printed on the wrong kind of paper.

All this information, and more that will be found useful, can be secured through a course of study in advertising as prepared by some of the correspondence schools. At least the principles involved can be thus secured, and they can be applied to a banking proposition and bring the desired results.

Bankers are spending a lot of money for advertising space now, and they will spend more in the coming years, but a great amount of the money thus spent does not bring the result it ought to bring. This is not the fault of the space, it is because of the way the space is used.

In this line there is a large field for the clerk who desires to succeed and who is devoted to the business of banking and understands its principles.

The last line to be dealt with, and in which success is waiting to reward the honest worker, is that of acting as a bank representative. Every business house that expects to get and hold trade has its representatives on the road, unless it is a strictly mail-order house, and that must have its advertising manager. Many banks now have their representatives who travel from place to place in the interest of the bank. It is usually the Vice-President or Assistant Cashier who now has this work to do. Bankers seem to have an idea that their representative must be an officer in the bank. This is not essential any more than it is that the representative of a business house should be one of the firm, or if it is a corporation that he be an officer of the company—and we know this is not necessary. Very often the man who is in his element—to use this expressive phrase—

in the official position in the bank, might be entirely out of his element on the road amongst the banks and business houses that have dealings with his bank, or that he hopes to lead to have dealings with the bank.

The man who desires to take up this line of work and make a success of it has several things to consider. He must first be well acquainted with the business of banking; he must then know how to meet men and deal with them, and how to present a proposition in a way that will appeal to their peculiar needs or conditions—and to do that he must study men and conditions. He must know how to talk business in an interesting and profitable way—not by telling a series of old jokes or worn-out stories. Too many travelling men seem to consider these stories a necessary part of their equipment.

The bank representative should carry himself in a gentlemanly and dignified manner, but not be cold and formal. There are extremes and mediums, and the bank representative should seek for the happy medium if he desires to be successful in his chosen work.

The time is coming when bank officers will be looking for men qualified for this work and if they are not to be found amongst the bank clerks they will take them from the men who are now on the road representing other lines of business. The keener the competition becomes in banking the greater will be the need for more men to represent the banks who intend to hold their present business and gain new depositors.

There is much more to say on this line, but space fills up too rapidly. One more suggestion must not be omitted, it is this: The man who wants to take up this line of work will find the study of advertising helpful to him, for in it he would be taught how to present a proposition in the best and simplest way, and how to keep out of ruts and worn-out methods, and how to plan and carry out a business-getting compaign.

Advantages of a College Education.

The greater proportion of bank clerks have not had more than an ordinary school education, and much is now being said to the effect that the college men will have the advantage over the men who have not had the college training. A prominent Chicago man recently said this:

"I went to get a place a few days since for a young man in whom I was interested, making application in his behalf to the general manager of a big corporation. The general manager was a friend of many years' standing, and was quite willing to do all he could for me, promising that if possible he would put my protégé to work right away. Then he asked me as to the applicant's educational equipment, which I was forced to admit was not of the highest; whereupon my friend shook his head: 'You know,' he said, 'that I myself had hardly any schooling, and yet have, by dint of hard work, climbed to a pretty good place in the world. Now, I want to tell you that hereafter there will be very few of my sort who will achieve anything in either the business or professional arena. The demand today—an ever-increasing demand—is for men of the highest mental training. I don't mean to say that an educated fool is going to win any more than he ever could, but in the future the boy who has had the most contact with books, other things being equal, is going to pull off the prizes.'"

This need not discourage you if you are not a college man—it should encourage you to bend more earnestly to the line of work you have chosen, and be determined to make a success of it.

As a closing message I want to quote what one has said on another line, but it applies very well here:

"The great difference in labor is not what is done, not the kind of work we perform, but in the spirit we put into it. From the cleaning of a room to the purification of a government; from the clearing of a forest to the chiseling of a statue; from the humblest work of the hands to the noblest work of the heart and brain, it is the determination to make it of the best possible quality that places it in the front rank. The work that is performed only for the sake of what it will bring, not for what it will carry forth, is like cloth of shoddy, which may please the eye, but will not wear. It is cheap, flimsy stuff, woven with no nobler purpose than to hold together long enough to be bought and paid for." Charles Wesley Reihl.

THE STOCK TRANSFER LAW.

CHAPTER 241.

An Act to amend the tax law, by providing for a tax on transfers of stock.

Became a law, April 19, 1905, with the approval of the Governor. Passed, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Chapter nine hundred and eight of the laws of eighteen hundred and ninety-six, entitled "An act in relation to taxation constituting chapter twenty-four of the general laws," is hereby amended by inserting therein a new article to be article fifteen and to read as follows:

ARTICLE XV.

Tax on Transfers of Stock.

Section 315. Amount of Tax.—There is hereby imposed and there shall immediately accrue and be collected a tax as herein provided, on all sales, or agreements to sell, or memoranda of sales or deliveries or transfers of shares or certificates of stock in any domestic or foreign association, company or corporation, made after the first day of June nineteen hundred and five, whether made upon or shown by the books of the association, company or corporation, or by any assignment in blank, or by any delivery, or by any paper or agreement or memorandum or other evidence of transfer or sale whether entitling the holder in any manner to the benefit of such stock, or to secure the future payment of money or the future transfer of any stock, on each hundred dollars of face value or fraction thereof, two cents. It is not intended by this act to impose a tax upon an agreement evidencing the deposit of stock certificates as collateral security for money loaned thereon which stock certificates are not actually sold, nor upon such stock certificates so deposited. The payment of such tax shall be denoted by an adhesive stamp or stamps affixed as follows: In case of sale where the evidence of transfer is shown only by the books of the company the stamp shall be placed upon such books; and where the change of ownership is by transfer certificate the stamp shall be placed upon the certificate; and in cases of an agreement to sell or where the transfer is by delivery of the certificate assigned in blank there shall be made and delivered by the seller to the buyer a bill or memorandum of such sale to which the stamp provided for by this article shall be affixed; and every bill or memorandum of sale or agreement to sell before mentioned shall show the date thereof, the name of the seller, the amount of the sale, and the matter or thing to which it refers, and no further tax is hereby imposed upon the delivery of the certificate of stock, or upon the actual issue of a new certificate when the original certificate of stock is accompanied by the duly stamped memorandum of sale.

§ 316. Stamps How Prepared and Sold.—Adhesive stamps for the purpose of paying the State tax provided for by this article shall be prepared by the State Comptroller, in such form, and of such demoninations and in such quantities as he may from time to time prescribe, and shall be sold by him to the person or persons desiring to purchase the same; he shall make provision for the sale of such stamps in such places and at such times as in his judgment he may deem necessary.

§ 317. Penalty for Failure to Pay Tax.—Any person or persons who shall make any sale, without paying the tax by this article imposed or who

shall in pursuance of any sale, deliver any stock, or evidence of the sale of any stock or bill or memorandum thereof, without having the stamps provided for in this article affixed thereto, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall pay a fine of not less than five hundred nor more than one thousand dollars, or be imprisoned not more than six months, or by both such fine and imprisonment at the discretion of the court.

§ 318. Cancelling Stamps; Penalty for Failure.—In every case where an adhesive stamp shall be used to denote the payment of the State tax provided by this article the person using or affixing the same shall write or stamp thereupon the initials of his name and the date upon which the same shall be attached or used, and shall cut or perforate the stamp in a substantial manner, so that such stamp cannot be again used; and if any person fraudulently makes use of an adhesive stamp to denote the state tax imposed by this article, without so effectually cancelling and obliterating such stamp such person shall be deemed guilty of a misdemeanor, and upon conviction thereof shall pay a fine of not less than two hundred nor more than five hundred dollars or be imprisoned for not less than six months, or both, at the discretion of the court.

§ 319. Contracts for Dies; Expenses How Paid.—The State Comptroller is hereby directed to make, enter into and execute for and in behalf of the State such contract or contracts for dies, plates and printing necessary for the manufacture of the stamps provided for by this article, and provide such stationery and clerk hire together with such books and blanks as in his discretion may be necessary for putting into operation the provisions of this article; he shall be the custodian of all stamps, dies, plates or other material or thing furnished by him and used in the manufacture of such State tax stamps, and all expenses incurred by him and under his direction in carrying out the provisions of this article shall be paid to him by the State Treasurer from any moneys appropriated for such purpose.

§ 320. Illegal Use of Stamps; Penalty.—Any person who shall wilfully remove or cause to be removed, alter or cause to be altered the cancelling or defacing marks of any adhesive stamp provided for by this article with intent to use the same, or to cause the use of the same after it shall have been once used, or shall knowingly or wilfully sell or buy any washed or restored stamp, or offer the same for sale, or give or expose the same to any person for use, or knowingly use the same or prepare the same with intent for the further use thereof; or shall wilfully use any counterfeit stamp or any forged stamp with intent to defraud the State of New York, shall be guilty of a misdemeanor and on conviction thereof shall be liable to a fine of not less than five hundred nor more than one thousand dollars, or be imprisoned for not more than six months, or by both such fine and imprisonment, at the discretion of the court.

§ 321. Power of State Comptroller.—The State Comptroller may at any time after transfers of stock which by the provisions of this article are subject to a State stamp tax, inquire into and ascertain whether the tax imposed by the provisions of this article has been paid. For the purpose of ascertaining such fact the Comptroller shall have the right and it shall be his duty to examine the books and papers of any person, firm, company, association or corporation. If from such examination the Comptroller ascertains that the tax provided for in this article has not been paid he shall bring an action in any court of competent jurisdiction for the recovery of such tax and for any penalty incurred by any person under the provisions of this article.

§ 322. Civil Penalty; How Recovered.—Any person who shall violate the provisions of this article shall in addition to the penalties herein provided forfeit to the people of the State a civil penalty of five hundred dollars for each violation. The State Comptroller shall bring an action in his name as such Comptroller in any court of competent jurisdiction for the recovery of any civil penalty and all moneys collected by him shall be paid into the State treasury.

§ 323. Effect of Failure to Pay Tax.—No transfer of stock made after June first, nineteen hundred and five, on which a tax is imposed by this article, and which tax is not paid, at the time of such transfer shall be made

the basis of any action or legal proceedings, nor shall proof thereof be offered or received in evidence in any court in this State.

§ 324. APPLICATION OF TAXES.—The taxes imposed under this article and the revenues thereof shall be paid by the State Comptroller into the State treasury and be applicable to the general fund, and to the payment of all claims and demands which are a lawful charge thereon.

§ 2. This act shall take effect immediately.

In approving the bill, Governor Higgins filed the following memorandum:

"I have given my approval to the above bill. It imposes a tax of $2 per hundred shares on transfers of corporate shares, or 2 cents on each one hundred dollars par value thereof. The tax is moderate in amount, and similar taxes are levied in other countries, and were levied in the United States under the War Revenue Tax law.

It has been argued with much force, and a great deal of truth, that the business of dealing in corporate shares is necessary and useful. It has been asserted that even as small a tax as that imposed by this act must either suppress the business almost entirely or drive it out of the State. Experience with taxes of this sort on the continent of Europe does not seem to indicate that the business of stock brokers has been suppressed or even seriously checked by them.

It may be said in favor of the tax that there is, perhaps, no other sort of capital which at present escapes taxation as completely as that employed in stock transactions. It is generally conceded that the imposition of a like tax by Congress during the Spanish war did not drive business out of the United States, and did not cause great hardship to those engaged in the business of dealing in stocks.

A State tax of this kind is undoubtedly to some degree experimental in its character. If its results are those which we have every reason to expect it will produce a substantial revenue without seriously burdening the business interests and financial welfare of the State. If, on the other hand, it should prove that the bill is a disappointment in the way of producing revenue or inimical to the welfare of the State the deliberations and recommendations of the commission to consider revenue and taxation, which I trust will be provided for at the present session of the Legislature, will suggest a more equitable and productive substitute."

THE TRUSTEE.—A wave of infidelity to the obligations of a trust is sweeping over the United States. Not the "trusts" which are the bogies of Populists, Bryan Democrats and too many Roosevelt Republicans, not the *fidei commissum* which is the essence of the tie between guardian and ward, between an administrator of the estate of a deceased person and the property, between the executor of a will and the beneficiaries thereof, nor a trust in a public office, but that other kind which grows out of the relations that ought to exist between a director of a corporation, an officer thereof, and a shareowner therein.

The big wave extends west and east, south and north. Wisconsin feels it as does New York. Railways, banks and insurance companies are under its baleful influence.

Men who recognize and obey the highest demands of honorable conduct in the discharge of the duties of a trustee under a will, or the guardian of an infant, seem to set up a different standard when serving as a director or an agent of a corporation. They go on as if their best conduct were not required of them in corporation matters, as if they could therein acquire interests adverse to their *cestui qui trustent* who are the shareowners or policyholders or depositors, and as if the general courts of justice will permit them to set up a standard of duty and honor not the same in conducting corporation business as in the business regulated by Surrogates and probate courts.

There may be rude awakening!—*New York Sun.*

MORTGAGES A QUICK ASSET.—John Schuette, President of the Manitowoc (Wis.) Savings Bank has issued a pamphlet advocating a plan for insuring the deposits in National banks. In the course of his argument, he has the following to say regarding mortgages on real estate:

"Good real estate mortgages, even if not due, are a quicker asset in a financial panic, when safety is the main question, than a note or discount, even if due, as at such times a banker in most cases does not expect payment, but only extension or renewal. I never lost a dollar on a real estate mortgage, and in the panic of 1893 they proved to be the best asset of the banks on which cash could be realized."

THE MONEY QUESTION OF TO-DAY.

This is one of those periods in the history of the world when there has developed a widespread hatred of the rich. Even in this country of free institutions this spirit has grown rapidly of late. The rich view this movement with disgust and astonishment. They cannot understand it. They know that the operations by which they have made themselves rich have likewise developed the country. They know that without the stock exchanges, through which they have carried their immense deals to success, the capital could not be mobilized by which the vast operations of commerce and industry are financed. They see that the capital they invest, develops the mines, the markets, the products of the soil, gives opportunity to inventive genius, and employment to millions of workers, and they have the right to claim that the wealth they have created for themselves has enriched the earth.

Why then this hatred, this eagerness for revenge, this desire to confiscate, to destroy?

We are here in the presence of one of the great mysteries of life, the mystery of money, that is at once a blessing and a curse, an incentive to love and to hatred, that enriches and despoils, that creates empires, and corrupts men.

The mystery has become the problem of the day. The money question of ten years ago concerned the economic properties of money. It was the question of the single or double standard of values. The money problem of today concerns the ethics of the acquisition and distribution of wealth. It involves the corporation, the trust, the monopoly, the principles of capitalization, of promotion, and of speculation, the commercialization of politics and journalism, the inequality of taxation, the abridgment of opportunity, the violation of law, the right of capital and of labor to organize and combine, and the right of the government to regulate.

How much of the hatred of wealth is due to the animal instincts that lead men to crime?

How much of it is inspired by the misdeeds of men corrupted or crazed by great wealth and power suddenly acquired, sometimes by methods which involve violation of moral law, and employed so as to create more wealth and power by depriving others of the equal opportunity that under our political system is rightly theirs?

Has this country in becoming enormously rich, jumping in a few years into the front rank of the nations, become suddenly mad with wealth? Has "the increase in per capita circulation," to which we refer with so much pride, carried with it an increase in greed, in corruption, in lawlessness? Is the money we have gained turning against us to confound and overwhelm? Is our system of corporations breaking down? Is the trusteeship of wealth a failure? Has the passion for sudden wealth carried us to a point where our money is becoming a national curse that is to lead us through paths of peril and perhaps revolution?

We do not pretend to answer these questions. We confess at one time to a feeling of optimism in view of the extraordinary vitality of our people, and the belief that at the heart the bulk of them are sound. At other times we are plunged in doubt because of the spectacle of a Godless education, a commercialized and yellow press, a legal profession that is becoming a mere agency for legalized piracy, labor that wars upon labor in order to create a monopoly, and a "high finance" which is so frequently shown to be merely low thievery, resorting to graft and deceit, doctoring the books, falsifying its statements, and even using the trust funds sacred to widows and orphans to promote schemes of speculation and promotion.

It is clear that the money question of today is the wicked, odious and

dangerous assault on wealth which is being inflamed by the misdeeds of men who know how to acquire wealth, but who having acquired it, have become corrupted and enslaved by it, and thus carried to gross excesses and crimes.—*Wall Street Journal.*

THE BRITISH SAVINGS BANKS.

[From the London "Economist."]

The position of the statutory Savings banks, to which a good deal of attention has lately been directed in Parliament, is a matter of great interest to all who are concerned in questions of thrift. These institutions have done, and are still doing, a work of great benefit to the working classes and to the community as a whole, and the fact that their depositors hold a stake of more than £200,000,000 in the Government funds makes them of some importance from the point of view of national finance. It may not be amiss, therefore, briefly to review their recent progress and the present state of their accounts.

In addition to the Post Office Savings Bank, with its 14,000 branches, there are at the present moment 228 "trustee Savings banks," for whose working and solvency the Government has assumed a certain responsibility. Some of them have been in existence for nearly a century. After the establishment of their great Post Office rival in 1863 their number rapidly decreased. Between 1887 and 1893, for example, some 130 were closed, and in all 437 have disappeared. These held deposits amounting to £14,400,000, of which about £9,000,000 were transferred to the Post Office. Within the last seven years, however, the number of trustee banks has slightly increased. The deposits, too, which decreased by about £5,000,000 between 1887 and 1893, have since increased by £10,000,000. The following figures show the position of these banks on November 20th last:

Number of depositors	1,688,000
Amount of deposits	£52,540,000
Invested funds (in the charge of the National Debt Commissioners)	£52,883,000
Other assets	£886,000
Total surplus	£1,229,000

The financial position of the banks has been a matter of solicitude to Parliament since 1817, when the State took over the funds of such of them as were then in existence, committed them to the National Debt Commissioners for administration, and undertook to pay interest to the trustee at the rate of £4 11s 3d per cent. The interest was high, even for those days, and it was soon found necessary to draw upon the capital in order to pay it. Later, the rate was reduced, first to £3 16s, and then to £3 5s; but these reductions were insufficient for the purpose in view, and in 1863 the fund had to be strengthened at the cost of the State by the creation of annuities representing a capital value of £1,927,000. In 1877 Parliament directed that any deficiency of annual income should in future be met out of the votes, any surplus being paid into the Exchequer. But there still remained a large capital deficiency, estimated in 1880 at £3,573,000. This was provided for in that year by the creation of an annuity of £83,700—the so-called "Savings bank deficiency annuity"—terminating in 1907, which was to be devoted to the purchase of securities for the benefit of the fund, the interest on the securities thus purchased being also devoted until the same date to the same object. The interest payable to the bank trustees was simultaneously reduced to three per cent., and was further reduced in 1888 to 2¾ per cent.—the present rate. Since the annual deficiency became chargeable to the votes in 1877, Parliament has provided a net amount of nearly £700,000 for the purpose. Thus the total amount by which the fund has already benefited at the cost of the taxpayer is, roughly, £4,600,000, made up as follows:

Strengthening of fund in 1863	£1,900,000
Annuities set up in 1880 (already paid)	2,000,000
Votes to meet deficiencies since 1877	700,000
	£4,600,000

It is argued by some that the expenditure has been remunerative in the sense that, by encouraging thrift, it has led to reduced demands on the poor-rate; but, at all events, the sum is sufficiently large to merit notice. And there is clear proof that it has been somewhat greater than necessary, since out of the income received from the National Debt Commissioners the Savings bank trustees have been able not only to pay interest to the depositors (normally at the rate of 2½ per cent.), and to meet their working expenses, but also to accumulate a surplus of more than £1,200,000.

As a large part—about £20,000,000—of the trustee banks fund is invested in consols, the deficiency of annual income has, of course, been accentuated by the recent reduction of the rate of interest on these securities. In 1903, for example, the deficiency was £76,000, and last year it was estimated at £114,000; and the amount is not likely to decrease substantially until 1907, when the income from the securities purchased by means of the deficiency annuity will become available.

When we turn to the Post Office Savings Bank, we find a record of striking and almost uninterrupted progress. According to the latest figures, the number of depositors is more than 9,400,000, and the amount standing to their credit is £148,000,000. The deposits at the end of each of the last five quinquennial periods were as follows; the corresponding figures for the trustee banks (so far as the returns of the National Debt Commissioners show them) are added for the sake of comparison.

Year.	Post Office Deposits.	Trustee Deposits.
1904	£148,000,000	£52,883,000
1899	130,119,000	52,086,000
1894	89,266,000	44,075,000
1889	63,000,000	45,636,000
1884	44,774,000	46,263,000

The rate of interest payable to depositors has been 2½ per cent. from the first, which means—allowing for broken periods and broken amounts—about £2 8s, and the expenses of management have averaged about 7s per cent., thus making the total annual expenditure 2¾ per cent. As the interest earned up to 1903 averaged more than this, the bank was worked until the latter date to the direct financial profit of the State. On four occasions only was there a deficit, and the net surplus paid into the Exchequer was £1,630,000. But the reduction in the rate of interest on consols—which, as we have seen, aggravated the loss on the Trustee Banks Fund—resulted also in a loss on the Post Office Bank. The funds of the latter institution are invested in consols to the extent of more than £60,000,000, and the reduction accordingly meant a decrease of some £150,000 in its revenue. As a matter of fact, a surplus of £30,000 in 1902 was followed by a loss of £107,000 in 1903, and of £114,000 last year.

The loss was, of course, foreseen, and a select committee which considered the question in 1902 recommended that the rate of interest payable, both to the depositors of the Post Office Bank and to the trustees of the trustee banks, should be reduced by ⅛ per cent. The present Chancellor of the Exchequer, however, declines to adopt this recommendation. He rests his decision on the fact that the new money of the banks can be invested at three per cent., whereas the committee based their calculations on a return of 2⅝ per cent. only; and he thinks that matters may be left to right themselves, with the aid, after 1907, of the deficiency annuity to which reference has already been made. In point of fact, the total deficiency on both accounts during the last two years has been less than £120,000 than the amount (£528,000) at which the committee estimated it.

Since the depreciation in the price of consols, another question—of greater theoretical, but perhaps of less practical, importance—has arisen in regard to the position of the banks. Between 1894 and 1899 the increase of deposits was large; and in lieu of more profitable means of dealing with them, the

National Debt Commissioners invested large amounts—about £45,000,000 in all—in consols, at the average price of £110, which prevailed during that period. The consequence is that the funds, on the basis of current prices, show a deficiency of some £11,000,000. It is a moot point how this deficiency should appear in the national bookkeeping. It is misleading, no doubt, to regard it as a deficiency on the capital balance-sheets of the banks, since the securities in question are held as permanent investments. And yet the deficiency is something more than a contingent liability to be relegated to a mere foot-note in the public accounts. The total liability of the State to the Savings bank depositors is as real as its liability to other lenders, and the total should therefore appear, in some form or other, on the debit side of the national balance-sheet.

GROWTH OF PERUVIAN BANKS.

Only a few years ago, when the reign of peace had not yet imparted to Peru new life and increased commercial and industrial movement, there were only three banks in Lima: (1) Bank of Callao, (2) a branch of the London Bank of Mexico and South America (which, later on, was fused with the Bank of Callao), and (3) the Italian Bank. The capital of these three banking establishments did not then exceed £300,000 ($1,459,950), which was amply sufficient for the requirements of trade at that time, when both agriculture and mining were languishing.

But as soon as the great change took place in the political condition of Peru, and confidence sprang up on every side, a wonderful improvement came about. The native capital which was previously hidden away, or was invested in foreign countries through fear of political troubles and the consequent losses to everyone, began to come forth at the same time that foreign capital, especially from the United States, commenced flowing into this country. From that time dated the commercial resurrection of Peru and the era of prosperity which the Republic now enjoys.

The banking establishments of Peru, which in 1895 represented a capital of £300,000 ($1,459,950), are now capitalized as follows:

Banks of Peru and Their Capital.

Bank of Peru and London	$973,300
Italian Bank	486,650
International Bank	486,650
Popular Bank	350,388
Mortgage Bank	486,650
La Colmena	486,500
Credito Urbano (Lima)	48,665
Crédito Urbano (Arequipa)	48,665
La Dotal	24,333
Property Banking Society	243,325
La Acumulative	145,995
Total	$3,781,271

The capital devoted to banking operations has consequently increased in amount more than 150 per cent. in the last nine years, which is in itself a sufficient proof of the increased financial, commercial, and industrial movement of the country.

Of the institutions above named, those which limit their operations strictly to banking have shown the following profits:

Profits of Peruvian Banks in 1902 and 1903.

Banks.	1902.	1903.	Last dividend declared. Per cent.
Bank of Peru and London	$279,449	$334,372	16
Italian Bank	91,388	97,330	16
International Bank	72,355	79,566	14
Popular Bank	45,322	50,192	12
Savings Bank	19,544	24,109	......
Crédito Urbano	12,939	30,571	16

The foregoing results have brought about an active inquiry for the shares of these institutions, some of which are now quoted at 100 per cent. premium, as, for instance, those of the Bank of Peru and London, of which the original value was £10 ($48.66), while their value today in the market is £19.5 ($93.66),

and those of the Italian Bank, which are quoted at about the same price as those of the Bank of Peru and London.

It is likewise interesting to compare the figures showing the positions of the banks ten years ago and at the present time. For instance, the three banks existing in 1894 had in cash £355,245 ($1,728,800) while today they have £532,479 ($2,591,309); in 1894 the deposit accounts showed £890,527 ($4,-333,750), while the same accounts at the present time show £2,875,072 ($13,-991,537). Consequently it is evident that in ten years the amount of the banking operations has increased 210 per cent.

Outside of Lima only the Bank of Peru and London has branches in a few of the principal commercial centers.

Openings for American Banks.

It must be admitted that in Peru the great advantages of a real banking institution are not yet known, and undoubtedly this would be an excellent opportunity for the establishment of an American bank, in view of the yearly increasing trade between Peru and the United States. A mortgage bank with foreign capital could also do a large and secure business, as the laws of Peru specially protect mortgages effected with banking institutions. An agricultural bank would also have good prospects in Peru, and would tend to increase the production of cotton, cocoa, coffee, sugar, and other articles of export. I am of opinion that an American joint stock company with its principal office in a city of the United States would have just the same protection as if it were an incorporate body.

Banking Laws and Taxation.

In Peru there is no special law regarding either native or foreign banks, except that they are not allowed to issue notes. Of course that has nothing to do with checks drawn upon them by those having accounts with them, or with bank checks given by the banks as a facility for the transfer of funds from one establishment to another or such as are used for special purposes.

The taxation is as follows: From £10 to £20 ($48.66 to $97.33) for permission to open the bank, four per cent. per annum on the net profits of the bank for property tax, and 5 per cent. per annum on the net profits for the municipality tax. There is a special tax respecting mortgages on property given to the banks, by which these establishments have preference of payment in case of sale of the property mortgaged. Each check pays a stamp duty of two cents, which is collected by the banks from the parties who solicit check books.

RICHARD R. NEILL, Secretary of Legation.

Lima, Peru.

BOOK NOTICES.

Year-Book of Legislation, 1903. Edited by Robert H. Whitten. Albany, N. Y.: New York State Education Department.

How complex and numerous are the law-making sources may be gained from this volume, over 700 pages being required to indicate in a very brief manner the laws passed in a single year.

The Year-Book of legislation includes the three regular legislation bulletins of 1904, dealing with legislation of 1903; Governors' messages, comparative summary and index, and review, which will henceforth be bound together when completed, forming a year-book of American legislation.

The series began in 1890 with the comparative summary and index of laws passed by States; in 1901 the Review was added, and in 1902 the digest of Governors' messages. These publications have been widely commended as of the highest practical usefulness by chief executives, legislators and publicists interested in improving legislative methods and measures.

Laws of Descent and Inheritance, Ancient and Modern. Chicago: Equitable Trust Company.

This is a comparison, in parallel columns, of the laws of the State of Illinois on descent and inheritance, and the code of Hammurabi, King of Babylon (about 2250 B. C.), relating to similar subjects. It is interesting to note the resemblances and also the differences between the laws of today and those of over four thousand years ago, and aside from the interest which attaches to the Babylonian code on account of its antiquity, it offers an illustration of the great care which has been taken from the earliest times to preserve the lineal rights to property.

NUMBERS AND FIGURES: THEIR ORIGIN, HISTORY, PHILOSOPHY AND ROMANCE.

[A Lecture delivered before the Glasgow Chartered Accountants' Students' Society, by A. B. BIRKMYRE SCOTT, C. A.]

According to the definition quoted by Lord Rosebery the other day, "an accountant is one who is skilled in accounts," and, as accounts are made up of figures, we may say that the profession which we have chosen has mainly, if not altogether, to do with figures. Now, how much do we, whose lives are spent "among figures"—how much do we know of the origin and history of these same figures, which we use with such careless ease, and, as befits accountants, I hope with no small degree of accuracy? Not very much, I am afraid, any more than we know, very often, much of the history of many of the commonest words of our language. In either case, this is our loss; and I think we may find in the origin and early history of numerals and numerical notation much that is deeply interesting, and not a little that is of permanent value to us in our work.

Let us first of all distinguish between "numbers" and "figures." By "number" we mean our idea or concept of succession or repetition: *five apples* is the expression of our idea that an apple is there repeated to a certain extent—that there is a succession of apples. *Figures*, on the other hand, are simply the signs by which we represent these numbers. I need hardly say that these figures—either as we know them or in any form—are really an instance of "Necessity is the mother of Invention"; that is to say, the time came at length when the idea of numbers—the "number concept," as it is often called—demanded an expression.

The idea of number would seem to be inherent in the human race. No race, however savage or barbaric, has been found yet without some conception of number, though in many cases this may be limited to the extremest degree, the entire number system of a language sometimes embracing only three or four words. For instance, the Vedas have only two distinct numerals, "Ekkamai," one, and "dekkamai," two; and beyond this they can only count by repeating the word "otameekai" as often as required—meaning "and one more." Many tribes are known which have no idea of number beyond three or four, and still many more who have five as the limit of their arithmetic. Generally speaking, the method of counting among savage tribes seems to be this: they make use of a small number of numeral words, and anything beyond that is, with them, "many." Their scale may be "one, many," "one, two, many," "one, two, three, many," or it may extend much farther than these limits. But their number sense is, in general, extremely limited, and it is not a common thing to find them able to count beyond 100. But it is important to notice that *all* have the idea of numeration in a greater or less degree. It is also necessary to remember this, that among all nations practical methods of numeration have preceded the formation of numeral language, or of representative signs.

Now, it is an accepted fact of history that our own system of numeration or counting comes to us from the East. Probably we owe it to that country which has recently been very much in the public eye, the little-known, mysterious land of *Thibet*, the inhabitants of which seem to have had a system of counting from which our own is at least derivable, in this especially, that in counting from 21 to 29, for example, the name for *two* acquires its value from position in a manner which bears the closest analogy to our ordinary arithmetical notation. This is the method which is considered by the Hindoos as of divine origin, and there is no doubt of its extreme antiquity among them. The Chinese, too, have an ancient and remarkably perfect system of

numeration, addressed rather to the eye than to the ear, as is their language generally. The essential distinction between their arithmetical notation and our own lies in the use of symbols for superior units in their case, which, by us, are expressed by *position* alone. Probably they have been in possession of their system for many ages, and may even claim to be the first inventors of arithmetical figures, although not those of our system of notation by nine figures and zero, which, as I have said, may most likely have originated in Thibet. Whether from that country or from Hindustan, it has come down to us through the Arabians, and as to this I shall say something presently.

The Hebrew or Phœnician alphabet contained twenty-two letters. These letters were used for numbering in the order in which they stood. The first ten represented the digits; the following letters expressed twenty, thirty, and so on, and the hundreds. This system we can trace back to ancient Egypt. The drawback to it was that it did not include zero, or the convenient method by which numbers owe their value to position; and yet it was better than the system used by the Romans for numbering. This was one of capital letters—the same as are still, though not commonly in use. We find these Roman characters, as you know, on public inscriptions, tombs, &c., and especially on the faces of clocks and watches. Probably why these figures have been retained is because they are thought more impressive or more decorative than the Arabic characters. But in no place where Roman capitals were employed as numerators could any calculations involving high numbers be made without great expenditure of space, time, and labor. Think how clumsy they are, even in the digits, and you will not be surprised that no important calculation could be accomplished by their use unless contractions and combinations were introduced in the operation. The first three numbers certainly presented to the eye symbols of quantity which did not require explanation, I, II, III, but ten was obviously artificial, represented by X, and one half of this letter, V, stood for five. An upright stroke before V diminished its significance to four, whilst a similar stroke after it raised its value to six—IV, VI. So with seven, eight, and nine. We, with our simpler method, can see how clumsy is this system of numeration; yet to-day something like it is retained in tallying, and, till some years ago, tallies were used in keeping the exchequer accounts. Strokes are still used in some parts in delivering milk at the door, small packages landed from ships, and for scoring on the door of the ale-house the liquor drunk. It is supposed that the expression, "Mind your P's and Q's," was originally the landlord's warning as to the number of pints and quarts consumed. These scores or tallies are generally grouped in numbers of five, and are marked like this ++++. Possibly some persons mark their scores differently.

We can see by a brief illustration how many difficulties would probably await an ancient Roman accountant. Suppose we multiply 87 by 93—with us it is simplicity itself:—

$$\begin{array}{r} 87 \\ 93 \\ \hline 261 \\ 783 \\ \hline 8091 \end{array}$$

But with Roman capitals the labor of carrying on and expressing the result of the sum would be very great:—

LXXXVII $\times$ XCIII = (87 $\times$ 93)

would give a result like this—

VIIIMXCI=(8091).

As to *how* the sum would be worked out we can only hazard a guess. We do not know what method a Roman calculator employed, but if we assume that he followed rules analogous to our own he might proceed with his multiplication thus: he might start by taking LXXXVII $\times$ XCIII to represent LXXXVII $\times$ C — LXXXVII $\times$ VII (that is to say, 87 $\times$ 100 — 87 $\times$ 7).

Then, I suppose, he would work out this very cumbrous sum something like this (you will see the meaning of it in Arabic figures as we go on:—

L + XXX + VII	50 + 30 + 7
C	100
VM + IIIM + VIIC	5000 + 3000 + 700
or VIIIMVIIC.	or 8700.

Again—

L + XXX + VII	50 + 30 + 7
VII	7
CCCL + CCX + XLIX	350 + 210 + 49
or DCIX.	or 609.

Again—

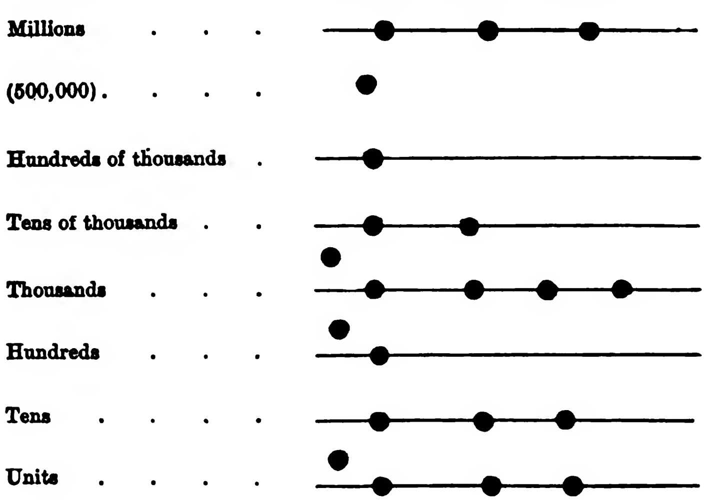
VIIIM + VIIC	8000 + 700
— DCIX	— 609
VIIIM + XCI	8000 + 91
or VIIIMXCI	or 8091.

Now, gentlemen, who would have been a schoolboy in those days, or a merchant, or indeed any one at all, with the need of using such figures? And, remember, this is only a simple little "Third Standard" sum. What *did* they do when they attempted calculations on a large scale?

While we are on the subject of the Romans, I should like to say something about their arithmetic, which they did by means of the *abacus*, or counter-board, the use of which, in various forms, was quite general in the West as late as the end of the fifteenth century, and continued in England and Germany nearly 200 years longer. In "A Winter's Tale," Shakespeare, who may be considered as correctly representing the customs and opinions of his times, exhibits the clown as embarrassed with an arithmetical question, and declaring that he cannot do it without counters.

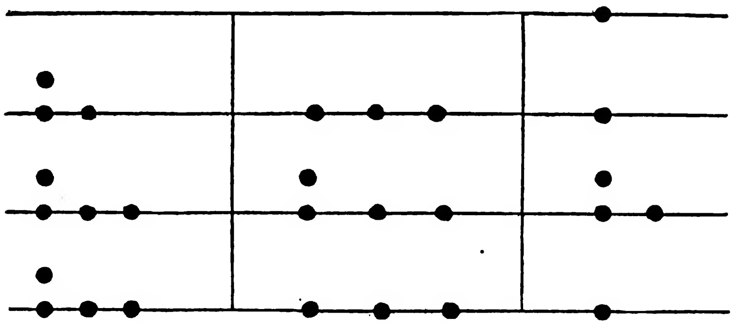
Seven lines were drawn with chalk or pen, on the table, or board, or slate. The counters, usually of brass, on the lowest line represent units, on the next tens, and so on as far as a million on the last and topmost line, and a counter placed between any two lines was equivalent to five counters on the lower line of the two.

For instance, 3,629,638 would be arranged thus on an abacus:—



And here is a little sum in simple addition, 788 + 383; the numbers to be added are in the two first columns:—

788 + 383 = 1171,



the method of operation being as follows:—The sum of the counters on the lowest column is 6; write, therefore, *one* on that line in the third column; carry one to the first space, which, added to the one already there, is equal to one on the second line; place a counter there, and add all the counters on that line together,—the sum is 7; leave, therefore, two counters on that line, and pass one to the next space; add the counters on that space together, which are 3, leave one there, and place one also on the next line; add all the counters in that line together,—the sum is 6. Leave one counter, and pass another to the next space, add all the counters in the space together, which are 2; leave no counter in the space, but pass one to the next or fourth line, and thus we represent the sum, which is 1171.

Many other examples I might give to illustrate this method of calculation, but this will show its principle: in fact, I believe I am right in saying that a very similar method is adopted to teach elementary arithmetic in the kindergarten schools.

In ancient times, Professor Leslie tells us in his "Philosophy of Arithmetic," it was the custom for merchants, bankers or money-changers, auditors of accounts, and judges in affairs of revenue, to appear on a *bank* or bench, while before them, on a board or table, were arranged the counters which were necessary in making their calculations; and the old English name of Court of Exchequer was derived from *scaccarium*, a quadrangular table, about ten feet long and five broad, with an elevated ledge around which the judges, tellers, and other officers were seated; it was covered with black cloth divided by white lines at right angles; small coins were used for counters, those on the lowest bar denoting pence, the second shillings, the third pounds, and the upper bars tens, twenties, hundreds, thousand of pounds, and so on. The teller sat about the middle of the table; on his right hand *eleven* pennies were heaped on the first bar, and a pile of *nineteen* shillings on the second; while a quantity of pounds was collected opposite to him on the third bar. For the sake of expedition he sometimes employed a silver penny to represent ten shillings and a gold penny for ten pounds. So used our fathers in this country to settle their accounts.

It seems probable that the earliest known instance of the use of Arabic figures in Europe is in the twelfth century (1136), all previous and indeed some later calendars, which were chiefly made in Spain (conquered by the Moors), being written in the old Roman notation. Certainly the Arabic numerals were known in Halz at the beginning of the thirteenth century, but they do not seem to have reached Britain, or at any rate to have been used here, until considerably later; and it is almost certain that they were known some time before they came into common use and superseded the old Roman figures. The earliest monumental date in Arabic figures in England would seem to be in the church of Ware, 1454; and the second, of the date of 1484, is in the same church.

In the rent-roll of the diocese of St. Andrews can be seen the change from Roman to Arabic numerals, and with it a corresponding alteration in the form of the writing, the earliest date in our present figures being 1490. But in the library of the University of Edinburgh may be seen a very curious almanac, presented to it, with a number of other valuable tracts, by the famous Drummond of Hawthornden, in which are a succession of lunar phases for three cycles, 1475, 1494, and 1513, with the visible eclipses of the sun and moon from 1482 to 1530. This precious manuscript, which contains the first Arabic figures known in this country, once belonged to St. Mary's Abbey at Coupar-Angus.

So much by way of a brief sketch of the origin and history of numbers and figures. But such a sketch, however brief, would be incomplete without some notice of the philosophy of numbers as taught by the ancients, traces of which are to be found even in our own times.

Let us bear in mind that there were two distinct species of arithmetic which were cultivated by the ancients, one practical and the other purely speculative. By the Greeks the term *Arithmetic* itself was restricted to the science which treats of the nature and general properties of numbers; while the collection of rules formed to direct and facilitate the common operations of calculation they called *Logistic.* The most minute and trivial distinctions were drawn between the numbers, their ratios and proportions; every number became, as it were, possessed of a property, and all numbers possessed some relative analogy with each other, to which a name could be given: but it is wholly out of our province this evening to attempt to wade through their multiplied refinements and laborious demonstrations, such as that all equality proceeds from inequality, or that all inequality may be reduced to equality, or that squares and cubes partake of the nature of identity or sameness, and so on. The old Platonic philosophers' notion of arithmetic would not at all commend itself to us in these very practical times. "Arithmetic," they said, "was not to be studied with gross and vulgar views, but in such a manner as might enable men to attain to the contemplation of the nature of numbers, not for the purpose of dealing with merchants and tavern-keepers, but for the improvement of the mind, considering it as the path which leads to the knowledge of truth and reality."

Pythagoras is the gentleman whose name is most associated with the doctrine or theory of the mystical properties of numbers, and indeed it seems to have been quite a passion with him. He regarded numbers as of divine origin, the fountain of existence, and the model or archetype of all things. *Even* numbers he considered to be feminine, and allied to earth; but the odd numbers he held to be endued with masculine virtue, and to partake of the celestial nature. The unit or *monad*, or, as we should say, *one*, was the most eminently sacred, and he called it the parent of all scientific numbers: it represented God, the First of all things, the Creator of all things, and intellect, the Source of all ideas. Two, or the *duad*, was called the Associate of the *monad*, and the Mother of the Elements; and to show how far this philosophy of numbers reached, I may add that the number *two* was often called and referred to as "audacity," and sometimes as "patience," —the former, because they said it was the earliest number to separate itself from the divine One; and "patience," because it was the first number to endure separation from the *monad.*

Three, or the *triad*, Pythagoras used to call perfect, as it was the first of the masculine numbers, comprehending the beginning, the middle, and the end, and he pointed out that it was therefore specially fitted to regulate by its combinations the repetitions of prayers and libations. We can see how this idea extended far beyond the bounds of the Pythagorean philosophy when we think of the many religious and mysterious associations that have adhered to the number and figure "3." To begin with, the Jews, who were so reverent in their use of the name of God, and would not venture to write it, or even to use its component letters carelessly, habitually used the symbol of an equilateral triangle, with the single letter "Yod" within it, to express the ineffable name of Jehovah—thus,


(Adonay).

With us there is the mystery of the Trinal God—"the Three in One and One in Three." The Hindus have also their Trinity of Brahma, in the form of Brahma, Vishnu, and Siva—Creator, Preserver, and Destroyer.

In classical mythology we are all familiar with the Three Graces, the Three Fates, and the Three Hours. Indeed in all ages three has been selected as a favorite and exceptional number. Now, we have the *Three* Estates of the Realm; we always give *Three* cheers, or *Three* times *Three* (who ever heard of "five cheers"?); we say that an individual who has dined "not wisely but too well" is "*Three* sheets in the wind"; some attach a special size and importance to the *Third* wave of the sea; for years we read all our novels in *Three* volumes; in architecture the relation of *Three* is the most pleasing and satisfy division of spaces to the eye; our cathedrals and churches have mostly *Three* aisles, and *Three* lights in the large windows is the most usual form of treatment.

But the *Tetrad*, or 4, was the number which Pythagoras and his followers venerated the most. It is a square, and contains within itself all the musical proportions; it marks the seasons, the elements, and the successive ages of man; and it likewise represents the cardinal virtues and the opposite vices. The ancients used to apply a four fold division to mathématical science—arithmetic, geometry, astronomy, and music. Anciently, also, the night was divided into four watches, as we read in the Bible, a division which is still retained at sea. "To square the circle" (a square or quadrangle being the symbol of "4") has become a proverbial expression for attempts at doing, or finding, something beyond our power—impossibilities. Its meaning is to discover the exact ratio which the radius of a circle, having a given area, bears to the side of a square, having the same—that is, an equal—area. In other words, and to put this in a simpler but not exactly correct way of description, it is to discover the exact ratio which the boundary line of a circle of given area bears to the boundary line of an equilateral triangle of the same superficial contents. As many of you know, this cannot be done: the ratio has never been, and never can be, established to finality; but it is a question which has occupied the attention of some of the acutest thinkers of the world for certainly two thousand years, and probably will continue to do so until the end of time.

Five, or the *pentad*, the philosopher used to call "the number of the world," because it was composed of the first male and female numbers; and it was often called "cardiatis" or "cardialis," because they said that, like a heart, it was in the midle of the body of the numbers:—

1	4	7
2	5	8
3	6	9

The early Christians referred to the *pentad* as the five wounds of our Lord, upon which so many traditions have grown up. Our alphabet has five vowels in it, and we have all five fingers on each hand, and five toes on each foot. In the Bible, Jewish references to five are many, and the five monarchies of the ancient world, shadowed out by Daniel, led enthusiasts in the seventeenth century to believe that we had entered on the last term of the series, and to the fanaticism and turbulence of the *Fifth Monarchy* men, as they were called.

About the number 6 I can recall little of interest, but a question which often puzzles people may perhaps be recalled. "Which is most, six dozen dozen or half a dozen dozen?" Put this suddenly, and you will floor a good many capable arithmeticians.

About the number 7 much might be said, did time allow. Whole books have been written upon it; the Bible has been ransacked to prove its hidden meanings. The Greeks used to call it "Minerva," because they said it was unmarried and virginal, begotten neither by a mother—that is, an even number—nor from a father—that is, an odd number—but proceeding from the monad (one), the Father of all things. You have only to read either the Old or the New Testament to see how frequent is the recurrence of seven, especially in the Apocalypse. It was held for long that the seventh successive son could cure the King's evil by touch; no one has seriously dared to add to the seven wonders of the world; and the seven days of the

week is a division of time that has only once been disputed, and then with most disastrous results.

Passing over 8, we notice little except the musical octave; but 9 is associated with the Nine Muses of classical mythology, and as the first square of an odd number the Pythagoreans used to say poetically that it was like the ocean flowing around the other numbers, or like the horizon, because all the elementary numbers are bounded by it. There are supposed to be nine orders of angels; at the ninth hour the Saviour of the world died.

Ten, as a number, we find in both religious and secular history: its importance lies in the fact that it is the basis of what is known as the decimal or denary system of notation, by which all nations reckon.

Much more I might say of the old philosophy of numbers, its constant effect on history, its curious possession of some of the sharpest intellects, its degradation often to a most servile superstition; but I proceed now to the part of my lecture which to some, at any rate, of my audience will no doubt prove the most interesting—the Romance of Numbers.

"Ah!" I hear you say, "at last! So far it has been pretty dry; now, let us hope, we are to have something more entertaining." Another perhaps suggests that entertainments and figures are mutually contradictory. "You might as well try to get nourishment out of dust," he suggests. Well, no one expects to find side-splitting laughter in a column of figures; but it is a mistake to think they are so dry as to furnish no amusement. Indeed, I think they *owe* us some amusement. Tears in plenty we used to get out of them at school, and to-day I suppose we all know people to whom they seem to be the invariable cause of their income being insufficient to meet their expenditure. Have they not often tyrannized over our tastes and enjoyments? And has not the sole reason of that gap which at every year's end prevents some, in spite of the most laudable intentions, from making both ends meet, been in the obstinate persistence of two and two in their sullen refusal to make any more than four? Some of us, perhaps, scarcely agree with Pythagoras, who called "two" a feminine number, meaning that it was not much good. He called it the principle of disorder and confusion, I believe, and perhaps he was right. "Two and two make four," you say, and that is supposed to be a very satisfactory proposition. Well, I am not sure that it always is. Whatever is good for anything ought to improve and increase; and I used to think that if this boasted pair of twos had any genuine enterprise at all about them, they would long ago have made at least six—in which case we might all have a much better time, and more money in our pockets and at our bank account. As it is, these poor twos seem to have wasted their opportunities, and to have done us all a personal injury. True, they make four, but so do three and one, and in a manner quite as successful, and very much less obtrusive.

But, apart from jesting, we can hardly wonder that superstition has attached itself to numbers when we see how perplexing are the laws that govern them, and how astonishing are some of the results arrived at by calculation. But even to those who are instructed in numeration there is much that is mysterious and unaccountable, much that only an advanced mathematician can explain to his own satisfaction. The neophyte sees the numbers obedient to certain laws, but *why* they obey these laws he cannot understand; and the fact of his not being able to do so tends to give to numbers an atmosphere of mystery which impresses him with awe.

Now, of all the numbers, 3, and in a greater degree its square, 9, possess the most remarkable properties. No wonder that the primitive human race, struck with some of the peculiarities of this number, has, by a process of generalization, arrived at the truth that unless it was so ordained of God, that number could not have played so great a part in the traditions prevalent everywhere, especially in Asiatic countries. For instance, when any number is multiplied by 3 or by any multiple of 3, you will find that the digits forming the product, when added together, give 3, or a multiple of 3, as their sum total. Examples:—

$4 \times 3 = 12$	and	$1 + 2 = 3$
$55 \times 9 = 495$	"	$4 + 9 + 5 = 18$
$22 \times 22 = 264$	"	$2 + 6 + 4 = 12$

Here is another peculiarity of the number 3. Any numerical expression, the sum of whose digits is 3, or a multiple of 3, is divisible by 3. Examples:—

1245: $1+2+4+5=12$ and $1+2=3$,
∴ divisible by 3.

25986: $2+5+9+8+6=30$ and $3+0=3$,
∴ divisible by 3.

Yes, you say, we have known that since we have been *so* high. True; but we know lots of things without knowing the "why" of them, and *why* should this peculiar virtue belong to 3, and not to any other of the *nine ciphers* except 9, which is 3 times 3?

And here is another power which 3 possesses. When 37 is multiplied by 3, or any multiple of 3 up to 27, the product will always consist of 3 digits exactly alike. Examples:—

$37 \times 3 = 111$ $\qquad$ $37 \times 9 = 333$
$37 \times 6 = 222$ $\qquad$ $37 \times 27 = 999$

And notice also that the three digits comprising each product, when added together, are equal to the multiplier. Multiply 37 by 30 and you get 1110, which breaks the sequence, but then you get a different sequence of figures. For instance:—

$37 \times 33 = 1221$ $\qquad$ $37 \times 39 = 1443$
$37 \times 36 = 1332$ $\qquad$ $37 \times 54 = 1998$

And yet the late lamented Mother Shipton was bold enough to say that the world would come to an end in 1881. Well, it did not, and that, I suppose, is the best answer to her. But how could she have ever thought it would, protected as it is on all sides by 3's? Few dates are so acrobatic as to be equally correct whether read backwards or forwards or upside down, yet 1881 is the same in all positions. The years 1001 and 1111 are the only ones in the past that could submit to such treatment, and 8008 will be the next, though we shall not see it.

More than thirty years ago a writer in "Chambers's Journal" pointed out that the most extraordinary of all numbers is the figure 9, because, as he said, "it cannot be multiplied away or got rid of anyhow. Whatever you do, it is as sure to turn up again as was the body of Eugene Aram's victim." One remarkable property of this figure—it is said to have been first discovered by W. Green, who died in 1794—is that all through the multiplication table the product of 9 comes to 9. By whatever you multiply it, the same result is there. Begin with twice 9, 18; add the digits together, and 1 and 8 make 9. Three times 9 are 27; and 2 and 7 make 9. So it goes on up to eleven times 9, which makes 99, the sum of the digits of which is 18 and not 9, but 1 and 8 equal 9. Go on farther and you have—

$9 \times 12 = 108$ and $1 + 0 + 8 = 9$
$9 \times 17 = 153$ " $1 + 5 + 3 = 9$
$9 \times 46 = 414$ " $4 + 1 + 4 = 9$

and so on to any extent.

An eminent Frenchman, M. de Maivan, found out another very curious property of the figure 9. If the order of the digits of any number be reversed or arranged differently, and this number be subtracted from the original number, the remainder will always be 9 or a multiple of 9. For instance, take 32 and subtract from it its reverse, 23, and you have 9; or take larger examples:—

$$\begin{array}{r} 5321 \\ 1235 \\ \hline 4086 \end{array}$$
4086 and $4+0+8+6=18$ and $1+8=9$;

or,

5321
3125
——
2196 and 2+1+9+6=18 and 1+8=9.

Furthermore, these two numbers, one of which has been reversed, possess the same properties when raised to any higher powers. Thus the square of 65 is 4225, and the square of the same number reversed, or 56, is 3136; then—

4225—3136=1089=18=9.

The cube of 65 is 274,625, and the cube of 56 is 175,616; then 274625—175616=99009, which looks suspiciously like a multiple of 9.

Here is another curious property of 9. If we take any multiple of 9, not exceeding its square, as for instance 45, and insert any number of ciphers between the two figures, let us say 3, and then divide this number 40005 by 9, the quotient will always be the first figure of the dividend, occurring 3 times, or as many times as we have inserted noughts, followed by the number or unit higher than the first figure, in this instance 5.

45 40005 ÷ 9 = 4445;

or again,

72 7000002 ÷ 9 = 777778.

Here is another puzzling property of 9. Take such a number as 4445 and multiply it by the same number of 9's; the result will be the first and last figures of the multiplicand occuring as many times each as there were figures in the multiplicand or multiplier, and the product of the digits will amount to the first figure in the multiplicand ×9. Thus:—

4445×9999=44445555=36=4×9 (four 4's and four 5's).

Again, let us write down any number—say 62379—and from it subtract the sum of its digits, in this case 27. Never mind what figures you start with, the digits of the product will always come to 9.

62379
27
——
62352 = 18 = 9

When the nine numerals, in their natural or reversed order, are multiplied by 9, or multiples of it, the products present a curious sequence, as follows:—

123456789× 9=1 111 111 101= 9	9
123456789×18=2 222 222 202=18	1+8=9
123456789×27=3 333 333 303=27	2+7=9
123456789×45=5 555 555 505=45	4+5=9

Or take them in their reversed order—

987654321× 9= 8 888 888 889=81	8+1=9
987654321×18=17 777 777 778=72	7+2=9
987654321×27=26 666 666 667=63	6+3=9

and so on.

These seem to be the most curious properties of 3 and its square, 9; but other figures are not without their extraordinary features. The number 7 has one or two curious properties. You know how this number, sacred to the Chaldeans and the Jews, has always been associated with dice in games of skill or luck. Any two opposite sides of a dice amount to 7, and if all the spots of the six sides be added together the total will be found to be 21, or 3×7. All the spots multiplied together result in 720, which is equal to 9, which here crops up again.

A full pack of playing cards is also associated with the sacred 7 and

the unlucky 13. Counting the knave as 11, the queen as 12, the king as 13, and the other cards according to the number of their spots, the sum of each suit will be found to be 91, or 7 multiplied by 13. The total of the four suits, therefore, amounts to 364, the digits of which number, when added together, amount to 13. The total number of cards in the pack, 52, has also a connection with 7, for 5+2=7.

Another property of 7, not perhaps so well known, is this: take any multiple of 7 having two digits only, as for instance 21 or 63; then we may place any other figure on each side of it, and the number with four digits thus obtained will also be a multiple of 7. For instance, let us take 21:—

Add two 1's	1211 ÷ 7 = 173
" " 4's	4214 ÷ 7 = 602

This same principle applies to multiples of 11 or 13. For instance, we might take 33, 55, or 77; 26, 52, or 78:—

1331	and	4264
4554	"	3523
6776	"	1781

are all divisible by 11 and 13 respectively.

How many of us have heard before, I wonder, that if we take any number of two digits and double it, the four figures placed side by side are always divisible by 17? As, for instance:—

24 doubled=48, 2448÷17=144
35 " =70, 3570÷17=210

or again, taking any five figures, and doubling them; the ten figures resulting will always be divisible by 7:—

18629 doubled=37258, 1862937258÷7=266133894.

We may next mention the figure 8, which has this curious property, that if any number be multiplied by 8, and all the figures employed be added to one another, they will ultimately come to 8. Example:—

$638 \times 8 = 5104$
$6+3+8+8+5+1+0+4=35, \quad 3+5=8.$

Or again, if any number be doubled, and one added to the product, and this sum added to the square of the original number, the sum thus obtained will be equal to the product of the same number plus one, squared. As, for instance:—

$$\left.\begin{array}{l}8\times2+1 = 17 \\ 8 \text{ squared} = 64\end{array}\right\} 17+64=81$$
8+1=9, and 9 squared=81.

Rather more intricate is a pretty theorem of Sylvestor which was given by Professor Christie in "Knowledge" some years ago. Every number may be resolved into a sequence in as many ways as it contains *odd* factors. For instance, 63 has 5 odd factors—viz., 3, 7, 9, 21, 63—and therefore it may be represented by the 5 following sequences, and no others:—

63=31+32
63=20+21+22
63=8+9+10+11+12+13
63=6+7+8+9+10+11+12
63=3+4+5+6+7+8+9+10+11

My next and last example will be of interest to actuaries rather than accountants. A curious circumstance has been noticed in any table where one column increases and the other decreases in the same ratio, such as the Carlisle or any insurance table of the Expectation of Life at different ages. Choose any age, take its expectation, and so on. Whether you be-

gin at youth or at old age, you are sure to end where the expectation of life is equal to the age.

May I conclude my lecture by expressing the hope that it has not proved uninteresting, and may I quote a stanza of nine lines by a poet who seems to have invoked the Immortal Nine not entirely in vain, and which, as you see, contains all the figures? It is entitled "Speaking Figuratively":—

"2 lovers sat beneath the shade,
And 1 un2 the other said,
'How 14-8 that you be9
Have smiled upon this suit of mine.
If 5 a heart, it palpit8s 4 you,
Thy voice is mu6 melody:
'Tis 7 2 be thy loved 1, 2,
Say 0y nymph, wilt marry me?'
Then lisped she soft, 'Why, 13ly.'"
—*Accountants' Magazine* (*Edinburgh*).

AMERICAN BANKERS' ASSOCIATION.

Thirty-First Annual Convention to be Held in Washington, D. C. in October.

The executive council of the American Bankers' Association, in session at the Lawyers' Club, New York city, May 3, decided to hold the thirty-first annual convention of the association in Washington, D. C., some time in October, the precise date to be fixed hereafter.

NEW YORK CITY TRUST COMPANIES MERGE.

Consolidation of the City Trust Company, Trust Company of America and North American Trust Company.

Directors of the City Trust Company, Trust Company of America and North American Trust Company, of New York city, met on April 18 and decided to merge the three companies under the name of the Trust Company of America. Metings of the stockholders of the respective companies were held on May 3 and the merger of the companies approved.

The Trust Company of America, of which Oakleigh Thorne (now President of the North American Trust Company) will be President, will have, when the merger becomes effectual, $2,000,000 capital, $9,600,000 surplus, and deposits exceeding $50,000,000, placing it among the largest companies in the city.

It is understood that Mr. Thorne was largely influential in perfecting the arrangements for this important union of financial interests.

For the purpose of working out the details of the merger, some two-thirds of the stock of each of the three companies has been placed in the hands of a committee composed of Charles T. Barney, President of the Knickerbocker Trust Company; George R. Sheldon, Treasurer of the North American Company; H. B. Parsons, Vice-President and Cashier of the Wells-Fargo Bank and a director in both the City Trust and the Knickerbocker Trust; Emerson McMillin, who is an officer of many Western and Southern public service corporations and a director of the North American Trust; William H. Leupp, President of the latter company, and Oakleigh Thorne.

The consolidation is an important event in trust company circles, uniting as it does large interests into one compact organization. There can be no doubt that the merger will prove beneficial all around, as the rank of the succeeding institution will be so high from the start as to give it a great advantage.

THE IMPORTERS AND TRADERS' NATIONAL BANK, OF NEW YORK.

This institution is nearing the completion of a half-century of existence, having been organized as a State bank August 1, 1855, and later entering the National banking system. A record of fifty years of successful commercial banking deserves more than a passing notice.

EDWARD TOWNSEND,

President Importers and Traders' National Bank.

From the start the management has been guided by the soundest principles of commercial banking, and it has established a reputation that will bear comparison with any bank in the United States. Although the volume of assets has grown steadily, there has been no straining after mere bigness, more attention having been given to the character of the business than the quantity of it; and yet the Importers and Traders' ranks among the large banks of New York. It has attained to its present proportions entirely by prudent and skillful management. Besides having an accumulation of sur-

plus and profits amounting to $6,574,020.47—all of which has been earned—shareholders have received dividends totalling $10,100,000.

The bank does not invest in either bonds, stocks or underwritings, preferring to loan its resources to its own correspondents and dealers and to mercantile borrowers, as it always has done, rather than to make investments thereof for its own account. By keeping clear of investment banking, the Importers and Traders' National has maintained a position enabling it to serve both its mercantile borrowers and banking correspondents more efficiently than might otherwise have been possible.

H. H. Powell,

Cashier Importers and Traders' National Bank.

An idea of the condition of the bank may be gained from the following statement, taken from the books on January 3, 1905:

Resources:

Discounts		$20,114,756.25
U. S. 2 per cent. bonds at par		50,000.00
Real estate		200,000.00
Demand loans	$4,444,619.03	
Due from banks	860,660.33	
Checks on other banks	1,402,449.84	
Specie and United States notes	5,669,009.00	12,376,738.20
Total		$32,741,494.45

LIABILITIES:

Capital	$1,500,000.00	
Surplus	5,000,000.00	
Total capital (including surplus)		$6,500,000.00
Undivided profits, after paying 97th dividend, January 3rd, 1905, $150,000.00		1,574,020.47
Circulation		50,000.00
Deposits		24,617,473.98
Total		$32,741,494.45

This statement is so strong on its face as to call for but little comment. The large surplus, heavy cash reserve and the absence of "stocks, bonds and securities" from the resources, are notable features.

Nothing has been said thus far about the personnel of the bank, although the results given amply witness the able character of the management.

Edward Townsend, President of the Importers and Traders' National Bank, has been connected with the bank since 1866, starting as a junior clerk. He became Assistant Cashier in 1873 and Cashier in 1880. On the death of Edward H. Perkins, Jr., President of the bank, Mr. Townsend was, on April 18, 1902, unanimously elected as his successor.

Naturally, the success of an institution to which he has given life-long service is very gratifying to Mr. Townsend. His important official connection with the bank for so many years, and his promotion to the highest position in the management, warrant THE BANKERS' MAGAZINE in saying what is well known in city banking circles—that he has contributed largely toward the honorable success the bank has achieved.

H. H. Powell, the Cashier, began like Mr. Townsend as a junior clerk. His identification with the bank dates from 1875. In 1893 he was chosen Assistant Cashier, and became Cashier in 1902. Mr. Powell, during his thirty years of service, has shown himself a capable bank officer, and by his courtesy and the knowledge gained from his long experience, has helped to establish the Importers and Traders' National still more firmly in the estimation of its extensive clientele.

G. H. Hulin, G. H. Blish and C. F. Regan, Assistant Cashiers, complete an efficient and loyal executive staff.

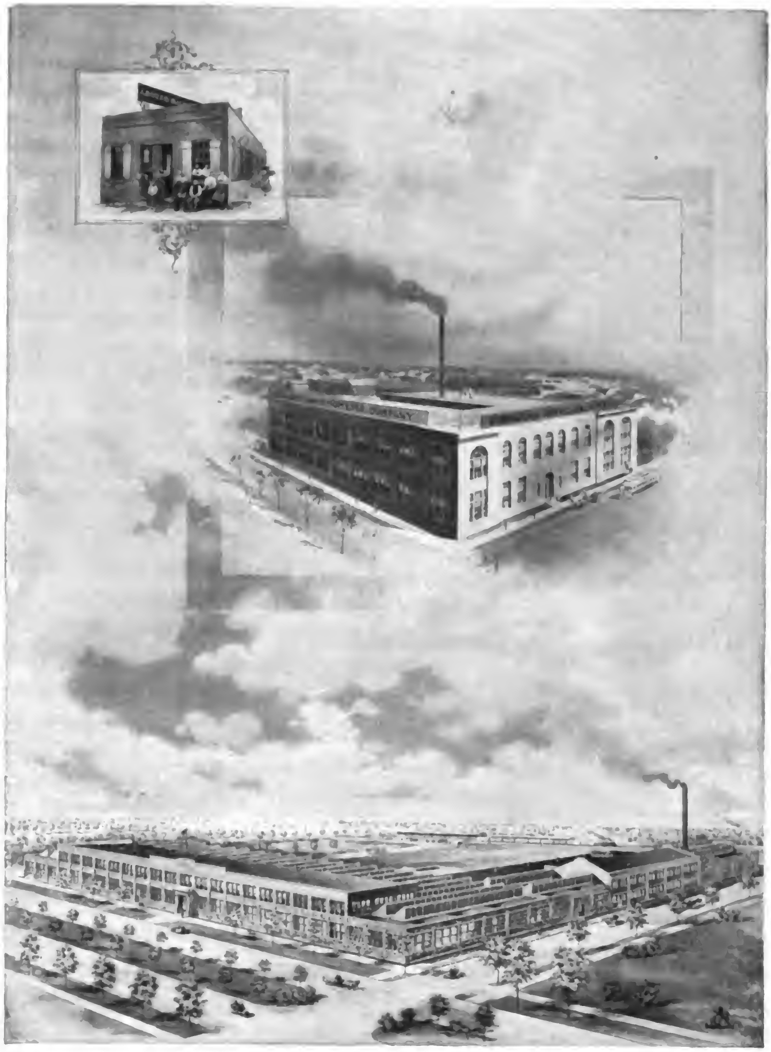
The conservative character of the management is further attested by the following strong board of directors:

John Arbuckle, of Arbuckle Bros., coffee; Isaac D. Fletcher, Chairman American Coal Products Co., chemicals; Henry C. Hulbert, formerly of H. C. Hulbert & Co., paper; Henry R. Ickelheimer, of Heidelbach, Ickelheimer & Co., bankers; Edward A. Price, of Fred. Butterfield & Co., dry goods; James R. Plum, of James R. Plum & Gale, leather; H. H. Powell, Cashier; Edward C. Rice, of Rice, Quimby & Co., grain and flour; Russell Sage, capitalist; Edward Townsend, President; Edward Van Volkenburgh, of P. Van Volkenburgh & Co., dry goods.

The Importers and Traders' National in addition to having a large line of individual mercantile accounts also represents numerous out-of-town banks as New York correspondent. A country bank so represented is in excellent company and is sure of receiving a service equal to the best that large capital, quick resources and the banking skill derived from long experience can afford.

In its fifty years of steady progression the Importers and Traders' National has furnished an instructive example of the solid results following upon an absolutely sound policy joined to a proper equipment for serving mercantile and banking interests. The record which the bank has made in the past half-century is a fine tribute to the character and capacity of the management. It is a record, also, worthy of study and imitation.

Governor of the Bank of England.—On April 11, Alexander Falconer Wallace, Deputy Governor of the Bank of England, was elected Governor of that institution for the ensuing year, succeeding Samuel Hope Morley.



OFFICE AND FACTORY OF THE BURROUGHS ADDING MACHINE CO., DETROIT, MICH.

BURROUGHS ADDING MACHINE COMPANY.

Herewith is presented an illustration of the new plant of the Burroughs Adding Machine Company at Detroit, Mich. Since the company moved to the latter city from St. Louis in October last its business has grown to such an extent that it has been found necessary to make large additions to the present huge establishment. The great demand for the Burroughs Adding and Listing Machine has for some time taxed the factory's existing facilities to the utmost. The following figures will give an idea of the growth of the company's business from 1891, when the first perfect machines were put on the market. Of the 1,000 machines manufactured between 1891 and 1895 a large number are yet in use and judging from expressions from owners of them are giving excellent satisfaction. The following five years 4,754 machines were manufactured and sold. In 1900 1,500 were manufactured and sold; in 1901, 2,121; 1902, 3,162; 1903, 4,455; 1904, 5,088, and this year the output will approximate 7,000.

Not only is the factory equipped with everything that capital and skill can provide for turning out a perfect machine, but the company is carrying out a most enlightened policy in looking out for the welfare of its employees, thereby making them directly interested in maintaining a high standard of workmanship.

The Burroughs is not only a perfect adding and listing machine, but it will also multiply, subtract, divide and extract roots with equal facility; it has been called the mechanical marvel of the twentieth century, a characterization which seems well bestowed. The machine is absolutely accurate, and its saving of time and labor to banks and accountants is unquestionable.

Editor Bankers' Magazine: Sandusky, O., March 1, 1905.

Sir: Reed and Roe, a partnership, are doing business as the Reed and Roe Produce Co. Reed opens an account in the bank in his own name in which he deposits, among other things, checks payable to the Reed & Roe Produce Co., which re endorses as manager. The funds are later withdrawn by Reed. Is the bank under any obligations to the other partner or to the creditors of the firm in case of trouble? H. W. PARSONS, Cashier.

Answer.—The checks drawn to the order of the partnership convey notice to all persons to whom they are transferred that they are partnership property, and that they cannot be used by the partner to pay his individual debts, or for his individual account. (Rogers vs. Batcheler, 12 Peters [U. S.] 221; Mecutchen vs. Kennedy, 27 N. J. L. 230.) The bank, therefore, has no right to credit them to his individual account, without the consent of the co-partner, and if it does so, the co-partner can require it to account to the firm for the proceeds. The assent of the co-partner need not, however, be express, but may be implied from the circumstances, as, for example, that he had knowledge of the course of business, and did not object. (Gansvoort vs. Williams, 14 Wendell, 133; Benninger vs. Fuchs, 7 Ohio Dec. Reprint, 613.)

BOOK NOTICE.

APPENDIX TO THE ANNUAL FINANCIAL REVIEW, FEBRUARY, 1905. Toronto: The Annual Financial Review.

Bankers and investors will find valuable information in this compilation of facts regarding Canadian securities. It gives comparative prices of railway, bank, industrial, mining and other stocks and bonds, together with abundant statistical data, compiled by W. R. Houston.

CRUDE TYPES OF BANKERS.

Undoubtedly the crudest types of banking people may be found among the natives of the Philippine Islands. In the city of Manila, in Iloilo, and one or two other large centers, there are a number of first-class banking institutions. Some of these are managed by Americans according to American principles. The banks of the Chinese and the banks of the Filipinos are likewise first-class establishments so far as they relate to Manila. But out in the provinces, in the wilds of Mindanao, and in the jungle of the Sulu archipelago, one finds some banking houses that may well be classed as among the most inferior kinds in the world. I have returned from the Philippine Islands after serving more than four years in the army as a soldier. During these four years I had an opportunity to observe the banking customs of the natives. The Chinese are the great money vendors of the country outside of Manila. In every town and barrio one finds the Chinaman with his gambling shack and banking business combined. The click of the coin may be heard all night and part of the day. They sleep all the afternoon and exchange money

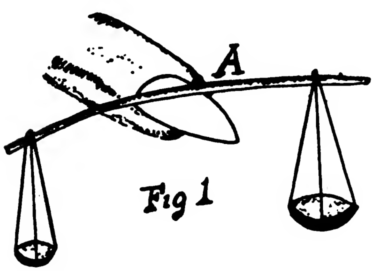


Fig 1

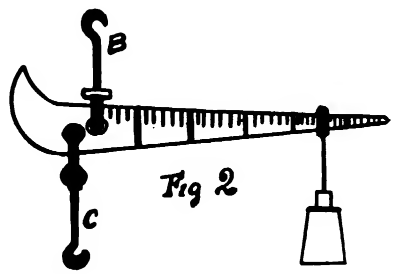


Fig 2

all night, while it is cool, and patrons are gambling. There are some crude equipments to be found in these Chinese banking shacks in the islands, a few of which are presented in the attached sketches. The native banker likewise employs these devices. The banking shacks proper are commonly ordinary bamboo and nipa material, constructed in a makeshift way, although the buildings may last a long time. I have seen banks put up in a day by the enterprising Chinese and natives. Often considerable money is carried. The Mexican coin prevails and a few hundreds of dollars of this money is exceedingly heavy and the transportation is difficult.

Figure 1 shows the type of finger balancing scale employed by the long-finger-nailed dealers in money. A common balancing stick (*a*) is selected, about the diameter of a pencil. This is usually bamboo, and is light and elastic. This is balanced on the forefinger of the left hand, while the scales and weights are managed with the right. There is much guess-work employed, although as a rule the weighing is done to the satisfaction of the customer. But it is the habit of the customer always to beg for a little more. The richest of natives have this habit. Throughout the entire process of weighing coin, he entreats the dealer to add a trifle more to his credit, claiming that he is poor, etc.

Figure 2 is a drawing of one of the metal scales. There are several metal scale-makers in Manila, all Chinese. These Chinamen construct a money and coin scale with a combination marking, so that the weighing can be known in Spanish, Filipino, and sometimes in Chinese, also I saw some scales of modern make including the English rating as well in conjuncture with the

other forms. The metal scales are usually too costly for the average native coin dealer and banker. Therefore he resorts to home-made contrivances.

In the scale in Figure 2 the hook for securing to a beam or wall is marked *b*, and the lower hook (*c*) is for the articles for weighing. There are always coin boxes used by the natives. Some of these boxes are made so that they can be strapped about the waist of the owner, by means of a belt. Figure 2*a* is a drawing of one of the typical boxes of the bankers. These are made of wood and sometimes of metal, highly polished. There are several divisions, as may be seen, for the different coins. The long apartments are for the scrip.

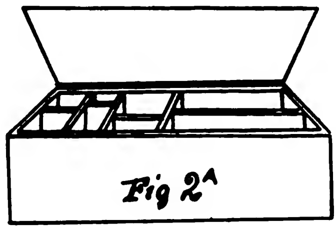


Fig 2A

Fig 3

Figure 3 is one of the odd types of money-scoops I observed in a banking house in the islands. It is a sea-shell, which some native collected from the beaches, and as it possessed a natural handle, and a scoop-like form, the native cleaned and polished it and sold it to a banker. The bankers of the native type use measures for their coins and metals of value, some of which are presented in Figures 4, 5 and 6. These measures are similar in design and construction to the established forms of measures adopted by the Spanish and native merchants and dealers, and were intended primarily for measuring rice; the measures had to be tolled off, marked with letters and numbers burned in by the appointed official, and paid for at so much per year for use. The practice of using them has extended to the banks of the natives. The cylindrical measures for metals, coins, etc., are exhibited in Figures 7, 8 and 9. These are common bamboo pieces and may be purchased ready prepared for use of the makers of the articles for weights and measures. All the cubes and cylindrical forms have to be tested and properly indexed by

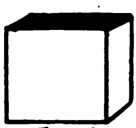


Fig 4

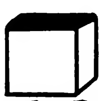


Fig 5

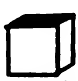


Fig 6

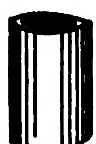


Fig 7

Fig 8

Fig 9

the appointed official before they can be used. If found in use, not registered, a fine is imposed. This is one of the Spanish customs, and is in vogue now. The native bankers of the southern islands are tricky. The bankers of repute handle the coins just as the ordinary banker does in any country, but in the wilderness of the southern islands where the writer journeyed, the Mindanao natives do not hesitate to deceive when the opportunity occurs. In fact, they adopt mechanical methods to systematically defraud. One of the mechanical devices used by the Moros for reducing the weights of coins a little, and benefiting by collecting the defaced stock, is exhibited in Figure 10. A cylinder (*d*) is made, about twenty inches in diameter and twelve inches long. This is provided with a shaft which bears in journals set in a wood frame. There is a belt put about the circumference of the cylinder, and this is indicated (*f*). There is a crank-wheel at *e* fitted in a stand with a shaft, and a device is joined so that the crank-wheel may be revolved by hand. Inside the cylinder (*d*) is the emery scraping and reducing affair (*g*.) This is a

spoked wheel-cylinder with some forty of the spokes projecting outward as shown. An emery-like cloth or paper is bound about the ends of each of the spokes and the coin to be treated is dumped in. A native lad turns the wheel. The emery-headed spokes begin to stir and grind on the coins. In an hour the emery surfacing has filed off a little metal dust from each coin. The dust is collected, and the coin is put into circulation again. Only a little weight is removed from each coin, and as a rule the coin goes into circulation again without question. The dust is collected and melted up and some of the coin handlers derive quite a revenue this way. The native banker of

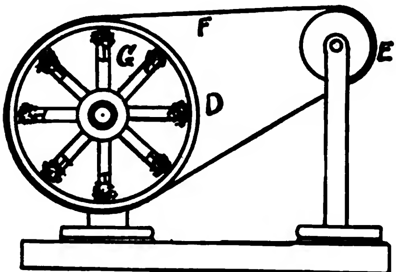


Fig 10

Fig 11

the lowest description always has his sign out. I saw one sign in English, and it is shown in Figure 11.

The bankers are usually well protected from robbery with arms. Some of them employ two or three alert natives as guardsmen. Very seldom do they have strong chests or safes. Sometimes home-made strong boxes may be seen. American dealers in simple, cheap safes will no doubt do quite a business among the Chinese and native bankers of the islands in time. Occasionally we would hear of a Chinese or native banker getting killed for his money.

An ex-Soldier.

Steel Equipment for Banks and Offices.—The Berger Manufacturing Company, Canton, Ohio, has issued an illustrated booklet descriptive of "Steel Sects" (sectional cabinets built of steel).

There are several advantages claimed for this sort of furniture over wood or cardboard. First, it is non-inflammable; second, the devices do not warp or stick, being unaffected by atmospheric changes; third, they are proof against the invasion of vermin of any kind.

As the cabinets are neatly finished, they are very attractive. They are also interchangeable and can be set up or taken apart without the use of tools or irritating locks of any description, yet always forming a homogeneous construction. Every "steel-sect" is complete in itself and a section can be duplicated at any time. The products of the company include practically everything in the way of equipment needed for bank offices, vault fixtures, etc.

A copy of the booklet mentioned, together with other information regarding the products of the company may be had by applying to the Berger Manufacturing Co., Canton, Ohio.

BOOK NOTICE.

The Architectural Review (special number on banks). Boston: Bates & Guild Co.

The March issue of The Architectural Review is a special number on banks, and both the descriptions of bank construction and the numerous illustrations will be of great interest to bankers who contemplate building, or remodelling their present banking rooms. The many interior and exterior views of bank buildings comprise a fine exhibit of modern bank architecture, and the suggestions regarding the construction of buildings, vaults, etc., will be found worthy of attentive study.

CONDITION OF THE NATIONAL BANKS.

Abstract of reports of condition of National banks in the United States on November 10, 1904, January 11 and March 14, 1905. Total number of banks reporting on March 28, 1904, 5,232; March 14, 1905, 5,587; increase, 355.

RESOURCES.	*Nov. 10, 1904.*	*Jan. 11, 1905.*	*Mar. 14, 1905.*
Loans and discounts	$3,772,638,941	$3,728,166,086	$3,851,858,472
Overdrafts	54,941,985	48,749,807	36,375,221
U. S. bonds to secure circulation	425,759,090	431,776,740	440,840,640
U. S. bonds to secure U. S. deposits	107,566,650	104,745,850	95,855,800
Other bonds to secure U. S. deposits	6,757,068	6,021,245	4,849,410
U. S. bonds on hand	15,479,900	15,148,710	17,558,850
Premiums on U. S. bonds	15,732,869	15,612,230	15,080,722
Bonds, securities, etc	595,277,595	605,082,723	642,778,843
Banking house, furniture and fixtures	122,149,605	124,169,036	128,144,430
Other real estate owned	20,606,557	20,438,624	20,519,501
Due from National banks	334,818,962	330,756,055	329,177,405
Due from State banks and bankers, etc	116,058,470	118,614,582	123,445,301
Due from approved reserve agents	548,144,834	542,193,651	594,094,119
Internal-revenue stamps	6,507	....	....
Checks and other cash items	29,204,470	31,442,581	25,260,772
Exchanges for clearing-house	341,998,191	268,374,984	287,122,185
Bills of other National banks	27,530,385	32,637,401	27,515,271
Fractional currency, nickels and cents	1,758,792	1,937,597	1,854,387
Specie	484,187,821	491,849,029	483,249,060
Legal-tender notes	157,942,968	178,122,523	157,904,573
Five per cent. redemption fund	20,706,134	21,006,860	21,460,689
Due from U. S. Treasurer	8,222,233	5,959,832	8,771,926
Total	$7,196,991,955	$7,117,800,553	$7,308,127,686
LIABILITIES.			
Capital stock paid in	$776,089,401	$776,916,147	$782,487,884
Surplus fund	399,961,534	406,177,675	408,888,534
Undivided profits, less expenses and taxes	195,366,258	183,994,736	194,667,181
National bank notes outstanding	419,120,020	424,345,432	430,955,178
State bank notes outstanding	42,663	40,344	40,344
Due to other National banks	761,568,172	753,871,580	812,878,655
Due to State banks and bankers	312,880,832	312,837,450	318,788,438
Due to trust companies and Savings banks	399,438,881	426,834,365	386,543,992
Due to approved reserve agents	38,798,020	41,564,507	37,916,428
Dividends unpaid	1,450,704	3,466,835	915,406
Individual deposits	3,707,706,530	3,612,499,598	3,777,474,006
U. S. deposits	101,386,914	97,417,684	84,705,235
Deposits of U. S. disbursing officers	8,965,600	8,976,352	8,517,157
Bonds borrowed	83,445,272	84,231,741	34,819,906
Notes and bills rediscounted	8,642,079	6,666,756	6,092,005
Bills payable	25,508,404	20,858,455	16,911,531
Liabilities other than those above	6,725,664	7,600,977	6,025,803
Total	$7,196,991,955	$7,117,800,553	$7,308,127,686

Changes in the principal items of resources and liabilities of National banks as shown by the returns on March 14, 1905, as compared with the returns on Jan. 11, 1905, and Mar. 28, 1904.

ITEMS.	SINCE JAN. 11, 1905.		SINCE MAR. 28, 1904.	
	Increase.	*Decrease.*	*Increase.*	*Decrease.*
Loans and discounts	$123,692,386	....	$306,859,913	....
U. S. bonds	2,549,490	....	16,831,660	....
Due from National banks, State banks and bankers and reserve agents	55,152,587	....	158,494,700	....
Specie	....	$8,599,969	18,831,790	....
Legal tenders	....	20,217,950	4,806,259	....
Capital stock	5,571,737	....	16,513,131	....
Surplus and other profits	13,383,302	....	29,023,018	....
Circulation	6,609,746	....	45,046,978	....
Due to National and State banks and bankers	21,019,645	....	172,742,832	....
Individual deposits	164,974,407	....	523,003,147	....
United States Government deposits	....	13,171,593	....	67,011,068
Bills payable and rediscounts	....	4,521,674	....	1,080,920
Total resources	190,327,133	....	702,132,069	....

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of New National Banks (furnished by the Comptroller of the Currency), State and Private Banks, Changes in Officers, Dissolutions and Failures, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—There has been received from the Yokohama Specie Bank a copy of the fiftieth report of the bank, presented to the shareholders at the half-yearly ordinary general meeting held at the head office, Yokohama, Japan, March 10. The report follows:

"The gross profits of the bank for the half-year ending December 31, 1904, including yen 527,000.558 brought forward from last accounts, amount to yen 7,915,988.428, of which yen 6,006,066.045 have been deducted for current expenses, interests, etc., leaving a balance of yen 1,909,922.383.

The directors now propose that yen 200,000 be added to the reserve fund, raising it to yen 9,720,000, and that yen 100,000 be placed to the silver funds. From the remainder the directors recommend a dividend at the rate of twelve per cent., per annum, which will absorb yen 720,000 on old shares and yen 360,000 on new shares, making a total of yen 1,080,000.

The balance, yen 529,922.383, will be carried forward to the credit of next account.

—Commencing with April 17 the checks drawn on the Coal and Iron National Bank began passing through the clearing-house, the Mechanics' National Bank acting as clearing-house agent.

—At the annual meeting of the stockholders of the Guaranty Trust Co., April 12, the retiring board of directors were re-elected, and at a meeting of the directors the former officers were re-elected, as follows:

J. W. Castles, President; Oscar L. Gubelman, Vice-President; A. J. Hemphill, Vice-President; William C. Edwards, Treasurer; F. C. Harriman, Assistant Treasurer; Max May, Manager Foreign Department; E. C. Hebbard, Secretary, and R. C. Newton, Trust Officer.

—The Ridgewood Bank, a new institution, opened for business May 1 at Myrtle avenue and Bleecker street, Brooklyn.

—New York Chapter, American Institute of Bank Clerks, met in regular session at the rooms of the Chapter on the evening of April 13. The programme included the following: Debate—"Resolved, That the business interests of the country will be best served by allowing National banks to establish branches;" "the New York Clearing-House," by A. M. Barrett, of the National Bank of Commerce; "Banking Credit and Results of Its Use," J. C. Martine, of the National City Bank. Mr. Martine's paper is published elsewhere in this issue.

—On March 15 Charles L. Robinson resigned as Assistant Cashier of the National Bank of Commerce, to become Vice-President and director of the Guardian Trust Company.

Mr. Robinson entered the Western National Bank as a clerk about seventeen years ago, and by close attention to his work he gradually won promotion, rising to the post of Assistant Cashier, and finally being chosen Cashier. Upon the merging of the Western National Bank with the National Bank of Commerce, Mr. Robinson was elected Assistant Cashier of the latter institution.

In the responsible positions which he has filled Mr. Robinson has shown marked ability and a conscientious devotion to the welfare of the important institutions with which he has been connected. His record won deserved advancement and opened the way to enlarged usefulness in financial affairs.

The respect won by Mr. Robinson from his fellow employees in the National Bank of Commerce was evidenced by the recent presentation to him of a silver loving-cup, the gift of his associates in the bank. In presenting this token of their regard, Mr. Alfred M. Barrett, in an appropriate speech, voiced the sentiment of the officers and clerks of the National Bank of Commerce in wishing Mr. Robinson continued success in his new position.

—Plans have been filed with the Building Bureau for the enlargement of the present quarters of the Mechanics' National Bank, in its eight story and basement office building at 29, 31 and 33 Wall street. The two buildings are to be united at the basement and first stories and these floors made over into one large office and vault for the bank proper. New entrances are to be built.

—The directors of the Hong Kong & Shanghai Bank have issued a general statement of the affairs of the bank and balance sheet for the half-year

ending December 31, 1904. The net profits for that period, including $1,492,-554.31 balance brought forward from last account, after paying all charges, deducting interest paid and due, and making provision for bad and doubtful accounts, amount to $4,745,544.05. The directors recommend the transfer of $1,000,000 from the profit and loss account to credit of the silver reserve fund, which fund will then stand at $8,000,000. They also recommend writing off bank premises account the sum of $200,000.

After making these transfers and deducting remuneration to directors there remains for appropriation $3,530,544.05, out of which the directors recommend the payment of a dividend of £1 10s sterling per share, which at 4s 6d will absorb $533,333.33 and a bonus of £1 sterling per share, which at 4s 6d will absorb $355,555.55. The difference in exchange between 4s 6d, the rate at which the dividend and bonus are declared, and 1s 11 9-16d, the rate of the day, amounts to $1,148,246.42. The balance, $1,493,408.75, to be carried to new profit and loss account.

—The plans for the proposed new all night bank to be erected at the southeast corner of Fifth avenue and Fourty-fourth street have been filed with Building Superintendent Hopper for "The First Day and Night State Bank" as owner. The building is to be an eleven story and and basement fireproof edifice, the upper stories being fitted for offices. It will front 105 feet on the avenue and 65 feet on the street, and will have a facade of ornamental brick trimmed with white marble. The entrance will be adorned with two large Corinthian columns supporting a decorated cornice. The cost is estimated at $350,000.

—The stockholders of the Century Bank will hold a special meeting on May 18 for the purpose of increasing the bank's capital from $100,000 to $200,000, and to authorize the alteration of its certificate of incorporation so as to include the power to open branch offices. The Century Bank recently moved to the quarters formerly occupied by the Union Exchange Bank, at Fifth Avenue and Twentieth street and will also operate a branch bank at its former home, Broadway and One Hundred and Fourth street.

—As the limited partnership of Boissevain & Co. was by mutual consent dissolved on May 1, J. L. Pierson of Adolph Boissevain & Co. of Amsterdam, Holland; A. Murray Young, Henry A. Murray, and Andrew J. Miller have formed a general partnership under the firm name of Boissevain & Co., to carry on the business of foreign and domestic banking, dealing in Government and other investment securities, and the purchase and sale on commission of stocks and bonds. On May 15 the firm will move to its new offices in the Blair Building, 24 Broad street. The firm will be the American correspondent of Adolph Boissevain & Co. of Amsterdam, Holland.

—Alfred M. Barrett, formerly of the National Bank of Commerce, New York city, has accepted the position of Confidential Representative of the Guardian Trust Company, New York city. Mr. Barrett is one of the best known bank men among the younger element in the United States. When the American Institute of Bank Clerks was organized by the American Bankers' Association Mr. Barrett was one of the first to become identified with the movement, and was one of the prime movers in the organization of the first chapter (the Alexander Hamilton Chapter).

When it was proposed to hold a convention of the national body of bank clerks Mr. Barrett was elected national treasurer of the organization. That convention was held in Cleveland, Ohio, in 1903.

At the convention held in St. Louis during the World's Fair, Mr. Barrett was unanimously elected Permanent Chairman of the Convention to be held in Minneapolis, July 20, 21 and 22, 1905.

Mr. Barrett has traveled extensively in the interests of the movement, having received invitations to address the Chapters in the principal cities of the United States.

—The Union Exchange Bank has moved from Fifth avenue and Twentieth street to the northwest corner of Fifth avenue and Twenty-first street.

—Edward Sweet & Co. removed on April 15 from 38 Broad street to 17 Nassau street. The firm had been located at 38 Broad street since 1876. This firm is one of the oldest and most conservative of the banking houses of the city, having been founded by Edward Sweet in 1855. Wm. Lanman Bull, senior partner, has been with the firm since 1865, and a partner since 1867. Frederick Van Lennep has been a partner since 1880. Memberships in the New York Stock Exchange are held in the names of Wm. L. Bull, Frederick Van Lennep and Frank L. Schoonmaker, the latter only recently becoming associated with the firm.

—G. B. Sayers, who has been connected with the National Shoe and Leather Bank for twenty-nine years, recently resigned as second Vice-President to become Vice-President of the Metropolitan Bank and Manager of the Maiden Lane branch.

Alfred J. McGrath, Assistant Cashier of the National Shoe and Leather Bank succeeds Mr. Sayers as second Vice-President, and S. Ludlow, Jr., of the Fourth National Bank succeeds Mr. McGrath as Assistant Cashier.

—Zelah Van Loan has been elected Assistant Secretary of the Standard Trust Co.

—At a meeting of the directors of the Jefferson Bank, April 1, the surplus was increased from $220,000 to $300,000. The capital of the bank is $400,000.

—On April 3 the consolidation of the Central Realty Bond and Trust Co. and the Lawyers' Title Insurance Co. was effected, the succeeding institution being the Lawyers' Title Insurance and Trust Co., with the following officers: President and General Manager, Edwin W. Coggeshall; Vice-Presidents, David B. Ogden, John T. Lockman, Louis V. Bright and Henry Morgenthau; Treasurer, Thorwald Stallknecht; Assistant General Manager, Samuel Green; Secretary, W. J. B. Mills; Assistant Secretary, H. E. Jackson.

The trust and banking business will be conducted at the offices formerly occupied by the Central Realty Bond and Trust Co., in the Chamber of Commerce Building, Nos. 59 to 65 Liberty street, and the title business as formerly at 37 Liberty street.

—R. H. Higgins, of Harvey Fisk & Sons, and E. W. Bloomingdale have been elected directors of the Phenix National Bank, control of which has been taken over recently by J. P. Morgan & Co. and August Belmont.

The organization of the bank is now as follows: President, F. E. Marshall; Vice-Presidents, August Belmont, Daniel S. Lamont and Geo. M. Coffin; Cashier, Alfred M. Bull; Assistant Cashier, Leonard B. Mallaby. Directors, August Belmont, Lewis Cass Ledyard, Henry K. Pomroy, E. H. Gary, Daniel S. Lamont, D. Crawford Clark, Geo. C. Warner, R. H. Higgins and E. W. Bloomingdale.

NEW ENGLAND STATES.

Boston.—At a recent meeting of the Boston Clearing House Association the former officers were re-elected, and James R. Hooper, President of the National Union Bank, succeeded Wilmot R. Evans, President of the Winthrop National Bank, as a member of the clearing-house committee.

The report of Manager Charles A. Ruggles for the year ended March 31, 1905, compares with the two previous years as follows:

	1905	1904	1903
Exchanges	$6,902,000,000	$6,572,418,000	$6,931,910,000
Balances	526,000,000	519,128,000	551,150,000
Foreign exchange................	575,596,000	651,798,000	606,345,000

Notwithstanding the decrease in numbers and capital the past ten years, there has been a marked increase in the resources of the financial institutions of the city.

In 1894 the resources were $456,000,000, while to-day they are $690,000,000, an increase of $236,000,000, divided as follows: National banks, $58,000,000; Savings banks, $69,000,000; trust companies, $109,000,000.

MIDDLE STATES.

Pennsylvania Bankers' Association.—D. S. Kloss, secretary of the Pennsylvania Bankers' Association, announces that the annual convention of the association will be held at Wilkes-Barre, June 15 and 16.

New Jersey Stock Exchange.—A certificate of incorporation of the New Jersey Stock Exchange was recently filed in the Secretary of State's office at Trenton, N. J.

The purpose of the organization is to maintain an exchange to transact the business ordinarily carried on by a stock exchange. Five hundred memberships are created at $500 each. The amount subscribed is $250,000. The governors are divided into two classes—one-year and two-year classes. The certificate of incorporation is subscribed by three members of the Registration & Trust Co. at East Orange, N. J., which corporation is made the statutory agent of the exchange. The certificate of organization was filed from the office of James B. Dill.

Philadelphia.—Permanent quarters for the new National Deposit Bank have been taken at 930 Chestnut street. John F. Finney and William B. Vrooman are prominent in organizing the institution. Mr. Finney was Assistant United States Treasurer at Philadelphia from September 19, 1898, until March 1, 1903. On relinquishing that position he was appointed National bank examiner for Central Pennsylvania, taking in about thirty counties and 300 banks. He resigned this position to organize the National Deposit Bank. In accepting Mr. Finney's resignation as National bank examiner, Comptroller Ridgely expressed regret at his leaving the service, and complimented him for his competent and faithful work.

As Assistant United States Treasurer here Mr. Finney was highly regarded by the banks and other financial institutions, and the Chief of the Board of U. S. Treasury Examiners declared that his system of conducting the office was unsurpassed.

William B. Vrooman, who is a leading spirit in the new bank, has a wide acquaintance among business men. He was formerly connected with the Merchants' National Bank. On February 10, 1904, he was unanimously elected President of the American Trust Company, which has prospered under his management.

The men who are organizing the Deposit National Bank are possessed of the experience and standing that will prove a strong factor in assuring the success of the bank from the beginning.

Albany, N. Y.—Frederick A. Mead has been elected President of the First National Bank to succeed Garret A. Van Allen, resigned. Mr. Mead is placed

in charge by the Albany Trust Company interests, which recently gained control of the First National. He is President of the National Savings Bank and Vice-President of the National Exchange Bank and a commission merchant.

Baltimore.—The directors of the Commercial and Farmers' Bank will recommend to stockholders an increase in the capital to $500,000 from $300,000.

The additional stock will be offered for subscription at $150 a share. This will mean $300,000 additional working capital—$200,000 of stock and $100,000 surplus. It will give the bank $600,000 to meet its constantly growing demands—twice the amount it now has.

The bank's charter has just been renewed by the Treasury Department after a thorough examination.

It is desired that the new stock shall not be taken by present shareholders, but that new interests may be brought into the bank.

The bank, is stated, has been handicapped by its small capitalization. The law prohibits any National bank from lending to a single customer more than ten per cent of its capital stock. With the Commercial and Farmers' this meant that no borrower could obtain more than $30,000. The officers say they have opportunities for profitably lending larger sums.

—The firms of John L. Williams & Sons, of Richmond, and J. William Middendorf & Co., of this city, are now free again to do business on their own account. At a meeting of the advisory committee appointed by the creditors of the two firms, on May 1, it was decided to dissolve the committee. The obligations of both firms, who collectively owned $12,000,000, have been liquidated, with interest, and though there are a few outstanding accounts, these will be cared for, as each firm has a surplus sufficient to cover its obligations and more.

A statement issued by the committee after the meeting declared that the two firms have paid to their creditors $8,373,000, exclusive of certain contingent liabilities which have been paid in full. The remaining indebtedness is due to comparatively few creditors, with whom the firms are making satisfactory settlements.

Rochester, N. Y.—The Traders' National Bank, which recently renewed its charter for a third term of twenty years, has doubled its capital stock—increasing it from $250,000 to $500,000—declaring a cash dividend of $250,000.

A more extended reference to the progress of this institution will appear in the June issue of the Magazine.

Pittsburg.—On Saturday, April 22, the officers and directors of the Homewood People's Bank invited the friends of the bank to inspect the new bank building at 618 Homewood avenue. The invitation was largely availed of, and numerous expressions were heard regarding the beauty of the new structure.

SOUTHERN STATES.

Arkansas Bankers' Association.—This association held its fifteenth annual convention at Little Rock April 20 and 21, there being a good attendance. Addresses were made by Geo. E. Allen, secretary of the American Institute of Bank Clerks, who spoke on "The Benefits of Education among Bankers;" by Harvie Jordan, president of the Southern Cotton Association, whose theme was "Cotton Warehouses." W. E. Schweppe, western manager of the Credit Indemnity Co., spoke on "Credit Indemnity." Charles B. Foster, of New Orleans, and S. M. Cole, of Chicago, also made addresses.

Officers were elected as follows: President, E. K. Smith, Cashier State National Bank, Texarkana; Secretary, C. T. Walker, Secretary and Treasurer Little Rock Trust Co.; Treasurer, J. C. McNeill, Cashier Columbia County Bank, Magnolia.

Louisiana Bankers' Association.—The annual convention of the Louisiana Bankers' Association was held in the banquet hall of the St. Charles Hotel, New Orleans, April 25 and 26, President D. M. Reymond in the chair. Addresses were made by a number of Louisiana bankers, and by Walker Hill, President of the Mechanics-American National Bank, St. Louis. Mr. Hill's subject was, "Relation of Railroads to the People." The following officers were chosen:

President, S. McC. Lawrason, President Bank of West Feliciana, St. Francisville; vice-president, Albert H. Leonard, President Merchants and Farmers Bank and Trust Company, Shreveport; secretary, L. O. Broussard, Cashier Bank of Abbeville; treasurer, P. L. Girault, Assistant Cashier Hibernia Bank and Trust Co., New Orleans.

Batesville, Ark.—The statement of the bank of Batesville at the close of business April 1 shows the following: Capital, $25,000; surplus, $50,000; undivided profits, $3,527; deposits, $229,000. The total resources ($307,529) include $228,765 loans and discounts and $70,406 cash and sight exchange.

The bank very properly takes pride in its surplus, which is the largest, in proportion to capital, of any bank in the State.

Officers of the Bank of Batesville are: President, J. S. Handford; Vice-President, W. J. Erwin; Cashier, Jno. O. Wolf; Assistant Cashiers, C. D. Metcalf and Paxton Thomas.

Kentucky Bank Tax Law.—On April 17, the Supreme Court of the United States affirmed the decision of the United States Circuit Court for the Eastern

District of Kentucky in the case of the city of Covington versus the First National Bank of Covington, holding to be invalid the Kentucky law requiring National banks of that State to make return of all shares for taxation purposes. The opinion was by Justice Day, and was based on the ground of discrimination against National banks.

Louisiana State Banks.—The consolidated statement of the State Banks of Louisiana, issued by State Examiner of State Banks E. L. Thomas for the quarter ending with March, shows a total of 132 institutions doing business under the State banking laws, as compared with 114 at the close of March, 1904, an increase for the year of eighteen. The total resources are given as $71,178,210, against $63,649,428 last year. Loans and discounts total $44,754,102, against $39,374,165 last year. Cash and sight exchange show an increase of $1,912,458. The total deposits are $31,895,599, against $27,408,217, an increase for the year of $4,487,381.

Mississippi State Banks.—State Auditor T. M. Henry has issued a statement of the condition of the 221 banks doing business in Mississippi on March 16. Contrasted with 1904, there has been an increase of forty-four banks. Total resources are given as $49,130,520, sight exchange $6,569,411; cash, $2,315,842; loans and discounts, $30,743,170.

WESTERN STATES.

St. Louis.—A consolidation of the American Exchange National Bank and the Mechanics' National Bank has been effected under the name of the Mechanics'-American National Bank, with $2,000,000 capital and $2,500,000 surplus. Walker Hill, President of the American Exchange National Bank is President of the succeeding bank, President R. R. Hutchinson, of the Mechanics' National, retiring from business. H. P. Hilliard, Vice-President and Cashier of the Mechanics' National, will be first Vice-President of the Mechanics'-American National, and W. J. Kinsella and Ephron Catlin Vice-Presidents—the latter having been Vice-President of the American Exchange National before the consolidation. L. A. Battaile, Cashier of the last-named bank, is Cashier of the Mechanics'-American National. J. S. Calfee, J. A. Berninghaus and G. M. Trumbo are Assistant Cashiers. The directors and employees of both banks will be retained.

The Mechanics'-American National Bank is the second largest bank here, and a substantial increase in earning power and resources is expected as a result of the consolidation.

—William C. Little, of the brokerage and investment firm of Little & Hays, was elected president of the St. Louis Stock Exchange, April 4.

—Festus J. Wade, President of the Mercantile Trust Company, has formed a syndicate of Harvey Fisk & Sons of New York and the Mercantile Trust Company, which has purchased one-half of the $10,000,000 issue of the improvement bonds of the St. Louis Transit Company, with an option on the remainder from the original underwriters.

The bonds will be offered for sale to the public by Harvey Fisk & Sons and the Mercantile Trust Company as syndicate managers.

It is stated on reliable authority that the bonds were purchased at about 93½ and will be offered for sale at slightly less than par.

Chicago.—The Equitable Trust Company has issued an artistic booklet, under the title of "The Substitute," setting forth the many advantages and safeguards offered by a trust company acting as trustee, administrator, etc. John R. Walsh, the well-known President of the Chicago National Bank, is President of the Equitable Trust Company, which has $900,000 capital and surplus.

Arrangements have been made for the consolidation of the Federal Trust and Savings Bank with the American Trust and Savings Bank, under the latter name and with President E. A. Potter continuing at the head of the succeeding institution. Thomas P. Phillips, President of the Federal Trust and Savings Bank, will be active Vice-President of the consolidated bank. It is expected the deposits will aggregate over $30,000,000. A new building will be put up adjoining the First National Bank at Clark and Monroe streets.

—The National Bank of the Republic is issuing some very attractive printed matter. This institution gives careful attention to its advertising—a practice that might be generally imitated with profitable results.

Nebraska State Banks.—The report of the State Banking Board for the quarter ending February 23 has recently been issued and shows a prosperous condition of the State banks. Compared with one year ago, deposits have increased $2,978,207, while loans have increased $2,617,162. The deposits are the largest in the history of the State. The average reserve is 30.9 per cent., or about double the legal requirements.

Negotiable Instruments Law.—On August 1 the uniform Negotiable Instruments Law will go into effect in Nebraska, the act having been passed by the twenty-ninth session of the Nebraska Legislature.

—The Bankers' Magazine has received from Geo. W. Bates, Esq., of Detroit, Mich., an interesting and able address which he delivered on the history of the Negotiable Instruments Law. Mr. Bates reported that the law passed the House of the Michigan Legislature April 7.

Fifty Years in One Bank.—On April 7 employees of the First National Bank, Fond du Lac, Wis., presented a solid silver loving-cup to J. B. Perry, President of the bank, in commemoration of his fifty years of service in that institution. Mr. and Mrs. Perry also entertained the employees of the bank at dinner. Of Mr. Perry's long and honored banking career, the "Daily Bulletin," of Fon du Lac, said in its issue of April 7:

"Fifty years ago to-day J. B. Perry, President of the First National bank, entered upon his duties as an employee of the Bank of the Northwest, which was later re-organized as the First National. This is a long period of time, and marks the gradual working to the front of a banking institution which today is one of the foremost in Wisconsin. Mr. Perry is also one of the pioneer residents of Wisconsin, being born in Green Bay seventy years ago. Mr. Perry, as President, is found at his desk each day, and is a man well preserved for his years. His honorable career has made friends for him, and he will receive the congratulations of both old and young. The Bulletin extends congratulations."

Iowa Bankers' Association.—Secretary J. M. Dinwiddie reports that the nineteenth annual convention of the Iowa Bankers' Association will be held at Des Moines June 7 and 8. Des Moines bankers are arranging to give the convention a cordial reception.

The association has engaged J. W. Loyer as a time lock expert, who will look after the time locks and bolts of safes and vaults of the members of the association at an annual charge of six dollars, one dollar of this amount going to the association as a guarantee fund for faithful performance of his duties.

Wahpeton, No. Dak.—The German-American National Bank, which opened April 25 with $30,000 capital, is backed by well-known local business men. Both in its location and equipment the bank is well prepared to meet requirements, while its officers enjoy a wide acquaintance. J. P. Reeder, the Cashier, was formerly a director in the National Bank of Wahpeton.

Decorah, Iowa.—C. J. Weiser, President of the Winneshiek County State Bank, has presented a two-acre plot of ground to the State as a location for a home for crippled and deformed children. The property is at Des Moines, adjoining the location of the Children's Home Society on East Ninth street. It is the intention later on to utilize the ground given by Mr. Weiser as a site for a hospital, training school and home.

Milwaukee, Wis.—Frank G. Bigelow, former President of the American Bankers' Association, and for many years President of the First National Bank, on April 24 confessed to the board of directors that he was a defaulter to the extent of $1,450,000, which has been lost in speculation. He was removed from the presidency of the bank, and was arrested for violating the National Banking Law, and released on bail. Henry G. Goll, Assistant Cashier of the bank, who, it is said, aided Bigelow in defrauding the bank, was reported missing, but later was arrested in Chicago. Frank G. Bigelow has made an assignment with liabilities amounting to $3,277,000, of which $1,975,000 is secured wholly or in part. Of the remainder $1,110,000 is a secondary liability as indorser. Mr. Bigelow's assets are estimated at $1,-849,800.

The shortage in the bank's funds occasioned by the defalcation was more than made good by the directors, who subscribed $1,635,000 to meet the loss. There was a run on the bank for a short time, but all demands were met.

At a meeting of the directors of the bank Frederick Vogel, Jr., was elected President, J. H. Van Dyke first Vice-President, Wm. Bigelow second Vice-President, Frank J. Kipp Cashier, and Thomas E. Camp Assistant Cashier.

PACIFIC SLOPE.

San Francisco.—It is reported that the United States National Bank will be organized here with $200,000 capital.

—Officers of the Wells Fargo-Nevada National Bank have been chosen as follows: President, Isaias W. Hellman; Vice-President, John F. Bigelow and I. W. Hellman, Jr.; Cashier, F. L. Lipman; Assistant Cashiers, Geo. Grant, W. McGavin, Frank B. King and John E. Miles.

Washington State Bankers.—The tenth annual convention of the Washington State Bankers' Association will be held July 20, 21 and 22 at Portland, Ore., in response to a cordial invitation from the Portland Clearing-House Association. Headquarters will be at the Hotel Portland. P. C. Kauffman, second Vice-President of the Fidelity Trust Co., Tacoma, is secretary of the association.

CANADA.

Bank's Capital To Be Increased.—The Bank of Toronto has an authorized capital of $4,000,000, of which $3,000,000 is subscribed and paid up. On June 1 next, a new issue of $500,000 will be made, bringing up the total paid-up capital stock of the bank to $3,500,000. The new issue will be allotted to present shareholders at the rate of one new share to six old shares, at a premium of 100 per cent. The rest of the bank is $3,300,000, and will, with the addition of premium on new stock, be increased to $3,800,000, which will be equal to 107 per cent. of the total paid-up capital.—The Shareholder.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

NATIONAL BANKS ORGANIZED.

7662—First National Bank, Parkston, S. D.; capital, $25,000; Pres., Christian Rempfer; Vice-Pres., John Doering; Cashier, J. S. Mueller.

7663—Dakota National Bank, Dickinson, N. D.; capital, $50,000; Pres., W. L. Richards; Vice-Pres., W. G. Whinn; Cashier, F. D. Hevener; Asst. Cashier, J. L. Hughes.

7664—National Bank of Flint, Flint, Mich.; capital, $100,000; Pres., John J. Carton; Vice-Presidents, S. C. Randall and William R. Hubbard; Cashier, Bruce J. Macdonald.

7665—First National Bank, Jellico, Tenn.; capital, $25,000; Pres., J. P. Mahan; Vice-Pres., J. B. Douglass; Cashier, A. B. Mahan.

7666—Citizens' National Bank, Atoka, I. T.; capital, $40,000; Pres., W. W. Allen; Vice-Pres., E. A. Newman; Cashier, Louis Rosinsky.

7667—Antlers National Bank, Antlers, I. T.; capital, $25,000; Pres., A. A. Lesueur; Vice-Pres., W. P. Cochran; Cashier, Octavia Lesueur.

7668—City National Bank, Corpus Christi, Texas; capital, $50,000; Pres., Clark Pease; Cashier, Alfred D. Evans.

7669—First National Bank, Benjamin, Texas; capital, $25,000; Pres., H. P. Branham; Vice-Pres., G. B. Stewart; Cashier, A. H. Sams.

7670—Citizens' National Bank, Wooster, Ohio; capital, $100,000; Pres., Walter D. Foss; Vice-Pres., Charles M. Gray and C. R. Mayers; Cashier, E. W. Thompson.

7671—First National Bank, Westerville, Ohio; capital, $25,000; Pres., J. W. Markley; Vice-Pres., J. W. Everal; Cashier, I. Shaffer.

7672—First National Bank, Pineville, W. Va.; capital, $25,000; Pres., W. H. H. Cook; Vice-Pres., O. O. Cooper; Cashier, H. L. Taylor.

7673—First National Bank, West Frankfort, Ill.; capital, $25,000; Pres., W. H. Hart; Vice-Presidents, Walter W. Williams and J. M. Willmore; Cashier, G. D. Dimmick; Asst. Cashier, R. P. Blake.

7674—Merchants & Planters' National Bank, Mount Vernon, Texas; capital, $30,000; Pres., J. H. Holbrook; Vice-Presidents, T. H. Leeves and B. O. Shurtleff; Cashier, A. G. Talbott; Asst. Cashier, G. A. Reaves.

7675—Jewelers' National Bank, North Attleborough, Mass.; capital, $100,000; Pres., A. H. Wiggin; Vice-Pres. and Cashier, F. E. Sargeant.

7676—Houghton National Bank, Houghton, Mich.; capital, $150,000; Pres., James H. Seager; Vice-Pres., J. H. Rice; Cashier, W. B. McLaughlin; Asst. Cashier, A. N. Baudin.

7677—Okemah National Bank, Okemah, I. T.; capital, $25,000; Pres., F. T. Miller; Vice-Pres., George Gaeng; Cashier, A. J. Martin.

7678—National Bank of Roxbury, Roxbury, N. Y.; capital, $25,000; Pres., F. M. Andrus; Vice-Pres., Arthur F. Bouton; Cashier, Thomas J. Weyl.

7679—First National Bank, Whitney Point, N. Y.; capital, $25,000; Pres., A. H. Youmans; Vice-Pres., E. C. Branday; Cashier, H. J. Walter.

7680—First National Bank, Forrest, Ill.; capital, $25,000; Pres., T. S. O. McDowell; Vice-Pres., W. H. Opie; Cashier, J. V. McDowell.

7681—Union National Bank, Clarksburg, W. Va.; capital, $300,000; Pres., W. Brent Maxwell; Vice-Pres., John Koblegard, Hugh Jarvis and P. M. Robinson; Cashier, S. H. White.

7682—First National Bank, Clarence, Iowa; capital, $30,000; Pres., W. D. G. Cottrell; Cashier, M. B. Cottrell; Asst. Cashier, A. Grant.

7683—First National Bank, Glasco, Kans.; capital, $40,000; Pres., L. Noel; Vice-Pres., Thomas Butler; Cashier, G. H. Bernard.

7684—First National Bank, Golden City, Mo.; capital, $25,000; Pres., D. E. Ketcham; Vice-Pres., R. B. Price, Cashier, D. E. Pence.

7685—First National Bank, Layton, Utah; capital, $25,000; Pres., James Pingree; Vice-Pres., E. P. Ellison and R. Adams; Cashier, James E. Ellison; Asst. Cashier, L. E. Ellison.

7686—First National Bank, South Shore, S. D.; capital, $25,000; Pres., Chas. Anderson; Vice-Pres., Peter Philip, Sr.; Cashier, R. J. Sweet.

7687—First National Bank, Evergreen, Ala.; capital, $25,000; Pres., A. R. Jones; Vice-Pres., W. Lawrence Wild; Cashier, C. E. Baker.

7688—People's National Bank, Steubenville, Ohio; capital, $100,000; Pres., W. F. Davidson; Vice-Pres., E. E. Francy; Cashier, L. L. Grimes.

7689—Union National Bank, Minot, N. D.; capital, $50,000; Pres., F. H. Wellcome; Vice-Pres., M. Jacobson; Second Vice-Pres., G. J. Albrecht; Cashier, Emery Olmstead.

7690—First National Bank, Ocean Park, Cal.; capital, $25,000; Pres., E. J. Vawter; Vice-Pres., J. M. Elliott; Cashier, Thomas M. Meldrum.

7691—United States National Bank,

San Francisco, Cal.; capital, $200,-000; Pres., Byron Mauzy; Cashier, R. B. Murdoch.

7692—First National Bank, Sullivan, Ill.; capital, $50,000; Pres., Charles Shuman; Vice-Pres., L. B. Scroggin; Cashier, Irving Shuman; Asst. Cashier, S. T. Bolin.

7693—First National Bank, Portland, N. D.; capital, $25,000; Pres., G. A. White; Vice-Pres., K. A. Wadel; Cashier, P. M. Paulson.

7694—Atlanta National Bank, Atlanta, Texas; capital, $30,000; Pres., L. F. Allday; Vice-Pres., T. H. Leeves and B. H. Singletary; Cashier, R. L. Witt.

7695—German-American National Bank, Wahpeton, N. D.; capital, $30,000; Pres., E. R. Gamble; Vice-Pres., Eugene Schuler; Cashier, J. P. Reeder.

7696—First National Bank, Coalville, Utah; capital, $25,000; Pres., James Pingree; Vice-Pres., Alfred Blonquist and Adam Patterson; Cashier, Frank Pingree.

7697—Union National Bank, Purcell, I. T.; capital, $25,000; Pres., W. H. P. Trudgeon; Cashier, R. E. Leavitt.

7698—Citizens' National Bank, Durham, N. C.; capital, $100,000; Pres., B. N. Duke; Vice-Pres., J. S. Manning; Cashier, J. B. Mason.

7699—National Bank of Glens Falls, Glens Falls, N. Y.; capital, $100,000; Pres., S. Brown; Vice-Pres., Geo. R. Finch; Cashier, Wm. A. Wait.

7700—First National Bank, San Saba, Texas; capital, $35,000; Pres., W. K. Ray; Vice-Pres., J. D. Estep; Cashier, J. T. Whitis.

7701—First National Bank, Medford, Ore.; capital, $25,000; Pres., Wm. S. Crowell; Vice-Pres., F. K. Deuel; Cashier M. L. Alford.

7702—First National Bank, Hallstead, Pa.; capital, $25,000; Pres., J. B. Jones; Vice-Pres., A. F. Merrell; Cashier, W. H. Windus.

7703—First National Bank, Freeport, N. Y.; capital, $25,000; Pres., Roswell Davis; Vice-Pres., John K. Eldridge; Cashier, C. Milton Foreman.

7704—First National Bank, Holly, Colo.; capital, $25,000; Pres., W. C. Gould; Vice-Pres., B. B. Brown; Cashier, J. S. McMurtry; Asst. Cashier, J. B. Harden.

7705—American National Bank, Monrovia, Cal.; capital, $25,000; Pres. Walter S. Newhall; Vice-Pres., C. O. Monroe; Cashier, F. N. Hawes; Asst. Cashier, K. E. Lawrence.

Applications to Organize National Banks Approved.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

First National Bank, Jeannerette, La.; by M. B. Tarleton, et al.

City National Bank, Madill, I. T.; by W. H. Lawrence, et al.

La Grange National Bank, La Grange, Ga.; by Fuller E. Callaway, et al.

First National Bank, Moweaqua, Ill.; by J. E. Gregory, et al.

Long Island National Bank, Freeport, N. Y.; by Geo. Wallace, et al.

Osage National Bank, Pawhuska, Okla.; by A. S. Sands, et al.

First National Bank, Glendale, Cal.; by W. H. Halliday, et al.

People's National Bank, Jeannette, Pa.; by John H. Brown, et al.

Cumberland Gap National Bank, Cumberland Gap, Tenn.; by David Cooper, et al.

First National Bank, Dunseith, N. D.; by P. M. Conoboy, et al.

First National Bank, Hannaford, N. D.; by A. O. Anderson, et al.

Ozona National Bank, Ozona, Texas; by J. B. Reilly, et al.

First National Bank, Toppenish, Wash.; by Geo. Donald, et al.

Citizens' National Bank, San Francisco, Cal.; by Douglas S. Watson, et al.

State National Bank, Jennings, La.; by T. L. Waddell, et al.

First National Bank, Grand Tower, Ill.; by Willard Wall, et al.

Farmers & Merchants' National Bank, Hatton, N. D.; by C. S. Edwards, et al.

Marion Center National Bank, Marion Center, Pa.; by Horace J. Thompson, et al.

Citizens' National Bank, Middletown, Pa.; by D. W. C. Laverty, et al.

Bay City National Bank, Bay City, Texas; by Henry Rugeley, et al.

First National Bank, Woodville, I. T.; by Ion J. Weatherford, et al.

Sharpsville National Bank, Sharpsville, Pa.; by Sam H. Hughes, et al.

Seaboard National Bank, San Francisco, Cal.; by C. M. Goodall, et al.

National Bank of St. Petersburg, St. Petersburg, Fla.; by Ed. T. Lewis, et al.

Home National Bank, Mount Vernon, Ind.; by Robert V. Stinson, et al.

Elston National Bank, Crawfordsville, Ind.; by I. C. Elston, et al.

Washington County National Bank, Chipley, Fla.; by E. N. Delke, et al.

First National Bank, Elko, Nev.; by Oscar J. Smith, et al.

First National Bank, Metuchen, N. J.; by A. C. Litterst, et al.

First National Bank, Rock Lake, N. D.; by Henry Hale, et al.

Farmers' National Bank, Tecumseh, Okla.; by A. G. Caldwell, et al.

National Exchange Bank, Toronto, Ohio; by J. C. Hilsinger, et al.

American National Bank, Graham, Va.; by Wm. E. Fowler, et al.

Citizens' National Bank, Lansdale, Pa.; by Henry L. S. Ruth, et al.

Silverton National Bank, Silverton, Colo.; by Geo. H. Williams, et al.

East Hampton National Bank, East Hampton, N. Y.; by Hiram Sherrill, et al.

American National Bank, Wetumka, I. T.; by John D. Reed, et al.

First National Bank, Middletown, Ill.; by J. H. Keest, et al.

Hollywood National Bank, Hollywood, Cal.; by P. I. Beveridge, et al.

Claiborne National Bank, Tazewell, Tenn.; by W. A. Parkey, et al.

First National Bank, Rock Creek, Ohio; by G. C. Braden, et al.

Sabinal National Bank, Sabinal, Texas; by Louis M. Peters, et al.

Mechanics'-American National Bank, St. Louis, Mo.; by Walker Hill, et al.

First National Bank, Sardinia, Ohio; by W. T. S. Blackburn, et al.

First National Bank, Dahlgren, Ill.; by W. B. Maulding, et al.

First National Bank, Graham, Va.; by J. E. Morton, et al.
First National Bank, Valley View, Texas; by R. P. Head, et al.
People's National Bank, Rochester, Pa.; by James G. Mitchell, et al.
First National Bank, Tonopah, Nev.; by Kenneth M. Jackson, et al.
Commercial National Bank, Tiffin, Ohio; by Alexander Kiskadden, et al.
First National Bank, Everly, Iowa; by W. H. Sleeper, Jr., et al.
Thomas National Bank, Thomas, Okla.; by G. J. E. Moser, et al.
Clinton National Bank, Clinton, Mo.; by Wm. Docking, et al.
National Exchange Bank, Chisholm, Minn.; by John Costin, Jr., et al.
First National Bank, Trenton, Neb.; by W. S. Collett, et al.
Citizens' National Bank, Albany, Ga.; by Jno. K. Pray, et al.
First National Bank, Haskell, I. T.; by Daniel W. Hogan, et al.
Third National Bank, Dothan, Ala.; by T. E. Williams, et al.
First National Bank, Plumville, Pa.; by E. Green, et al.

APPLICATION FOR CONVERSION TO NATIONAL BANKS APPROVED.

Exchange State Bank, Stockton, Kans.; into National Bank of Stockton.
Sawyer County State Bank, Hayward, Wis.; into First National Bank.
Security Bank, Luverne, Minn.; into Farmers' National Bank.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

New Market—New Market Banking Co.; capital, $10,000; Pres., W. E. Rodgers; Vice-Pres., W. F. Yarbrough; Cashier, T. C. Wesson.

ARKANSAS.

Altheimer—First Bank; capital, $5,000; Pres., Thomas J. Collier; Vice-Pres., Morris Altheimer; Cashier, E. L. Bowe.
De Vall Bluff—Warren Maxwell.
McGehee—Valley Bank; capital, $8,000; Pres., Henry Thaw; Vice-Pres., F. M. Rogers; Cashier, J. W. Willoughby.

CALIFORNIA.

Escondido—Escondido Savings Bank; capital, $12,500; Pres., A. W. Wohlford; Vice-Pres., W. L. Ramey; Cashier, E. E. Turrentine.
Gardena—Gardena Bank & Trust Co.; capital, $12,500; Pres., Clinton B. Casler; Vice-Pres., B. E. Jones; Cashier, Isaac S. Ball.
Los Angeles—American Savings Bank; capital, $225,000; Pres., Geo. Chaffey; Vice-Pres., W. F. Botsford; Cashier, J. W. Phelps.—Metropolitan Bank & Trust Co.; capital, $250,000; Pres., Frank P. Flint; Cashier, Frank M. Kelsey.
Modesto—Modesto Savings Bank; capital, $50,000; Pres., J. R. Broughton; Vice-Pres., Geo. A. Cressey; Cashier, C. D. Swan.

FLORIDA.

Ybor City—Bank of Ybor City; capital, $25,000; Pres., John Trice; Vice-Pres., Ygnacio Haya and Adam Katz; Cashier, W. I. Porter.

IDAHO.

American Falls—American Falls State Bank; capital, $10,000; Pres., C. C. Campbell; Vice-Pres., A. A. Utley; Cashier, J. R. Shreck.
Shelley—Shelley Banking Co.; capital, $10,000; Pres., N. A. Just; Vice-Pres., John F. Welby, Asst. Cashier, N. I. Sage.

ILLINOIS.

Atwater—Bank of Atwater; capital, $10,500; Pres., O. B. Cain; Cashier, J. P. Enslow; Asst. Cashier, H. B. Herrick.
Grand Tower—Mississippi Valley Banking Co.; capital, $15,000; Pres., G. C. Scudamore; Vice-Pres., W. E. Mathis; Cashier, J. T. Ensley.
Illiopolis—Illiopolis Bank; Pres., Arthur A. Pickrell; Cashier, Geo. S. Pickrell.
New Haven—New Haven Deposit Bank; capital, $10,000; Pres., G. C. Scudamore; Vice-Pres., W. E. Mathis; Cashier, S. C. Galeener.
Pekin—Geo. Herget & Sons; Pres., Geo. Herget; Vice-Pres., W. P. Herget; Cashier, C. H. Turner.
Rochelle—Stocking Trust & Savings Bank (successor to Wm. Stocking & Co.); capital, $150,000; Pres., Geo. E. Stocking; Vice-Pres., Horace Stocking; Cashier, W. P. Graham; Asst. Cashier, O. A. Wedler.
Vergennes—Bank of Vergennes; capital, $10,000; Vice-Pres. and Cashier, W. F. Floyd.
Weston—Farmers' Bank; capital, $12,000; Pres., G. E. Wild.

INDIANA.

Fowlerton—Bank of Fowlerton; capital, $10,000; Cashier, G. E. Hopkins.
Osgood—Osgood Bank; capital, $25,000; Pres. Edward D. Freeman; Vice-Pres., John C. Row; Cashier, Brainard L. Vawter.

INDIAN TERRITORY.

Bixby—Farmers & Merchants' Bank; capital, $11,000; Pres., M. E. Sharp; Cashier, H. L. Sharp.
Howe—State Bank & Trust Co.; capital, $10,000; Pres., W. L. Seaman; Vice-Pres., C. C. Graves and V. D. Briggs; Cashier, W. N. Wilkinson.
Nowata—Farmers' State Bank; capital, $25,000; Pres., W. P. Ringo; Vice-Pres., A. M. Gott; Cashier, W. J. Endly; Asst. Cashier, Chas. Ringo.
Ochelata—Bank of Ochelata; capital, $12,000; Pres., Isaac D. Taylor; Cashier, Jay C. Sexton; Asst. Cashier, Nathaniel E. Taylor.
Oktaha—Oktaha Bank & Trust Co.; capital, $15,000; Pres., Arthur Burch; Vice-Pres., E. W. Boynton; Cashier, G. W. Boynton.
Porum—Bank of Porum; capital, $10,000; Pres., Wm. O'Keefe; Vice-Pres., Hy. O'Keefe; Cashier, Chas. J. O'Keefe; Asst. Cashier, Ed. Taylor.
Soper—Bank of Soper; capital, $5,000;

Pres., C. L. Harris; Vice-Pres., Thomas E. Oakes; Cashier, J. T. Jeter.

IOWA.

Dallas Center—Citizens' Savings Bank (successor to Citizens' Bank); capital, $20,000; Pres., William Lackey; Vice-Pres., Geo. W. Hammond; Cashier, H. M. Whinery; Asst. Cashier, S. E. Emmert.

Dedham—State Savings Bank; capital, $15,000; Pres., A. T. Bennett; Vice-Pres., M. Slife; Cashier, W. W. Sibson; Asst. Cashier, A. J. Ayrhart.

Epworth—Epworth Savings Bank (successor to Bank of Epworth); capital, $10,000; Pres., W. J. Creglow; Vice-Pres., M. J. Lynch; Cashier, Max Linderman; Asst. Cashier, G. W. Stedman.

Fairbank—People's Banking Co.; Pres., Adam Kiefer; Cashier, Geo. W. Monroe, Jr.

Grafton—Farmers' Exchange Bank; Pres., Charles Christians; Cashier, O. H. Christians.

Liscomb—State Savings Bank (successor to Farmers' Bank); capital, $10,000; Pres., A. H. Church; Vice-Pres., P. E. Gould; Cashier, Minnie E. Lincoln.

Maquoketa—Farmers' Trust & Savings Bank; capital, $25,000; Pres., M. S. Dunn; Vice-Pres., Chas. von Schrader; Cashier, G. L. Mitchell.

Pleasanton—Farmers & Merchants' Bank (successor to Bank of Pleasanton); capital, $15,000; Pres., Wm. Woodward; Cashier, J. Wesley Chew; Asst. Cashier, M. M. Chew.

Rhodes—Farmers' Savings Bank (successor to Farmers' Bank); capital, $15,000; Pres., S. T. Goodman; Vice-Pres., Ollie Sutphen; Cashier, Ben Richards.

Tennant—Tennant Savings Bank; capital, $10,000; Pres., H. A. Escher; Vice-Pres., Charles E. Watters; Cashier, W. H. Moore.

KANSAS.

Anson—Anson State Bank; capital, $10,000; Pres., S. C. Bishop; Vice-Pres., S. J. McBride; Cashier. C. C. Taylor.

Atlanta—Citizens' State Bank; capital, $15,000; Pres., M. M. Parrish; Vice-Pres., H. R. Wilson; Cashier, Wm. H. Pauly.

Dresden—First State Bank; capital. $10,000; Pres., Fred Bremer; Vice-Pres., Otis L. Benton and H. O. Douglas; Cashier, David Muirhead.

Falun—Falun State Bank; capital, $10,000; Pres., John F. Merrill; Vice-Pres.. Gust. Eckwell; Cashier, Carl T. Johnson.

Galena—Miners' State Bank; capital, $15,000; Pres., B. S. Moore; Vice-Pres., J. K. Wingert; Cashier, J. F. Lanier.

Grainfield—Citizens' State Bank; capital, $10,000; Pres., W. N. Heiney; Vice-Pres., Geo. S. Dryer; Cashier, J. E. Smith.

Harris—People's State Bank; capital, $10.000; Pres., O. C. Bodley; Cashier, J. S. Christian.

Kansas City—State Bank; capital, $50,000; Pres., O. D. Burt; Vice-Pres., F. S. Merstetter; Cashier, C. N. Prouty.

Valley Center—Citizens' State Bank; capital, $10,000; Pres.. R. G. Ballantine; Vice-Pres., F. P. Miles; Cashier, G. B. Van Arsdale.

KENTUCKY.

Fulton—Farmers' Bank; capital, $17,500; Pres.. Ed. Thomas; Vice-Pres., W. H. Powers; Cashier, J. V. Hefley.

Newhope—People's Bank; capital, $15.000; Pres., J. A. Cummins; Vice-Pres., F. J. Miller; Cashier, M. B. Salem.

Water Valley—Citizens' Bank; Pres., G. F. Weaks; Vice-Pres., J. O. Holland; Cashier, Ben P. Bennett.

LOUISIANA.

Baldwin—Bank of Baldwin; capital, $25,000; Pres., John Baldwin, Jr.; Vice-Pres., Wm. B. Kemper; Cashier, Chas. L. Provost.

MICHIGAN.

Detroit—W. E. Reilly & Co.

South Lyon—State Savings Bank (successor to South Lyon Banking Co.); capital, $20,000; Pres., Herbert Letchfield; Vice-Pres., D. B. Lyons; Cashier, D. B. Lyons; Asst. Cashier, L. W. Stanbro.

MINNESOTA.

Buhl—First State Bank (successor to Merchants & Miners' Bank); capital; $10,000; Pres., R. M. Sellwood; Vice-Pres., P. H. Nelson; Cashier, J. C. Mick.

Cass Lake—Merchants' State Bank; capital, $10,000; Pres., F. L. Gorenflo; Vice-Pres., C. E. Tedford; Cashier, Geo. W. Beckett; Asst. Cashier, R. O. Downey.

Lanesboro—State Bank (successor to Farmers & Merchants' Bank); capital, $15,000; Pres., S. A. Nelson; Vice-Pres., P. A. Nelson; Cashier, J. O. Blekre; Asst. Cashier, A. M. Hanson.

Lesueur—Farmers' State Bank; capital, $20,000; Pres., Franklin A. Dodge; Vice-Pres., Henry Schrapel; Cashier, E. C. Haga.

Mahnomen—Bank of Mahnomen; capital, $10,000; Pres., Henry Birkett; Vice-Pres., E. S. Lee; Cashier, L. G. Sanders.

Sargeant—Bank of Sargeant; capital, $5,000; Pres., W. H. Schoonmaker; Cashier, F. E. Blethen.

MISSISSIPPI.

Ecru—Merchants & Farmers' Bank (Branch of Pontotoc); capital, $5,000; Cashier, B. O. Garner; Asst. Cashier, J. M. Pritchard.

MISSOURI.

Aurora—People's Bank; capital, $15,000; Pres., T. J. Liles; Vice-Pres., C. L. N. Haines; Cashier, E. A. Liles.

Bois D'Arc—Bank of Bois D'Arc; capital, $10,000; Pres., R. L. Pipkin; Vice-Pres., J. M. Baker; Cashier, W. G. Swinney; Asst. Cashier, M. E. Swinney.

Caledonia—Bank of Caledonia; capital, $10,000; Pres., Geo. H. Eversole; Vice-Pres., John Q. Adams; Cashier, R. R. Bean; Asst. Cashier, Grace G. Henry.

Doniphan—Doniphan State Bank (successor to T. L. Wright); capital, $15,000; Pres., T. L. Wright; Vice-Pres., J. C. Sheppard; Cashier, K. J. Shemwell.

Fair Grove—Bank of Fair Grove; capital, $10,000; Pres., W. C. Potter; Vice-Pres., W. H. Mayfield; Cashier, Geo. T. Hine; Asst. Cashier, John T. Long.

Gray Summit—Bank of Gray Summit; capital, $10,000; Pres., J. Hundhausen; Vice-Pres., J. W. North; Cashier, I. D. Powell.

Mayview—Farmers' Bank; capital, $10,000; Pres., J. S. Calfee; Vice-Pres., J. A. Calfee; Cashier, J. C. Calfee.

Springfield—Gibson Savings Bank; capital, $25,000; Pres., Simeon R. Wright; Vice-Pres., Martin V. Lyndall and Jos. M. White; Cashier, Thomas R. Gibson; Asst. Cashier, Jos. A. Donnell.

Stoutland—People's Bank; capital. $12.500; Pres., Jos. H. Smith; Vice-Pres., W. O. Pool; Cashier, Eli A. Ellis.

NEBRASKA.

Kimball—Bank of Kimball; capital, $17,000; Pres., C. A. Bickel; Cashier, L. W. Bickel.

NEW YORK.

New York—Standard Bank of South Africa, Ltd.; W. H. MacIntyre, Agent.

NORTH CAROLINA.

Enfield—Commercial & Farmers' Bank; capital, $10,000; Pres., S. C. Bellamy; Vice-Pres., J. H. Exum, Jr.; Cashier, E. W. Simpson.

Gastonia—Love Trust Co., capital, $50,000; Pres., John F. Love; Vice-Pres., Edgar Love; Treas., Robert A. Love.

High Point—High Point Savings & Trust Co.; capital, $25,000; Pres., S. H. Hilliard; Vice-Pres., J. W. Harris; Cashier, E. L. Ragan.

Hot Springs—Bank of Hot Springs; capital, $10,000; Pres., Jno. C. Rumbough; Vice-Pres., B. I. Nicholson; Cashier, Geo. E. Naff.

La Grange—Rouse Banking Co. (successor to Rouse Bros.); capital, $15,000; Pres., N. J. Rouse; Vice-Pres., Simeon Wooten; Cashier, T. R. Rouse.

OHIO.

Bushnell—Bushnell Bank; Pres., I. P. Felch; Cashier, J. R. Ingalls.

Hagerman—Farmers' Bank of Rossville; capital, $8,000; Pres., Geo. N. Edger; Cashier, Jno. M. Edger.

Harrisburg—Harrisburg Savings & Banking Co.; capital, $25,000; Pres., J. A. McKinley; Vice-Pres., C. A. Smith; Cashier, Milton Davis.

Wooster—Commercial Bank (successor to Albert Shupe Co.); capital, $50,000; Pres., Albert Shupe; Cashier, W. R. Barnhart, Jr.

OKLAHOMA.

Butler—State Bank; capital, $10,000; Pres., T. K. Winter; Vice-Pres., G. J. E. Moser; Cashier, Geo. J. Ames.

Cushing—State Bank of Commerce; capital, $10,000; Pres., P. H. Mayginnes; Vice-Pres., Louis Frong; Cashier, Chas. Berner; Sec., B. J. Catt.

Fairview—Fairview State Bank (successor to First National Bank); capital, $5,000; Pres., J. E. Garnett; Vice-Pres., G. W. Garnett; Asst. Cashier, W. D. Bowling.

Stroud—Citizens' Bank; capital, $10,000; Pres., J. W. Stroud; Vice-Pres., H. M. Jarrett; Cashier, Oscar Presson; Asst. Cashier, W. A. Green.

OREGON.

Dufur—Johnston Bros.; capital, $25,000; Cashier, L. B. Thomas.

North Powder—Farmers & Merchants' State Bank; capital, $25,000; Pres., H. O. Gorham; Vice-Pres., W. N. Bowman; Cashier, S. M. Mann; Asst. Cashier, Wm. Gardner.

SOUTH DAKOTA.

Astoria—Astoria State Bank; capital, $5,000; Pres., Jer. F. Fries; Vice-Pres., John T. Hogie; Cashier, O. C. Hauger.

Burke—Burke State Bank; capital, $5,000; Pres., P. M. Fulton; Vice-Pres., L. J. Fulton; Cashier, L. S. Lillibridge.

Dallas—Bank of Dallas; capital, $5,000; Pres. Wilford Standiford; Vice-Pres., Ernest O. Jackson; Cashier, J. A. Standiford; Asst. Cashier, H. F. Slaughter.

Gregory—Gregory State Bank; capital, $5,000; Pres., H. L. Millay; Vice-Pres., E. D. Reynolds; Cashier, Joy M. Hackler; Asst. Cashier, Nellie T. Hackler.

Herrick—Rosebud Bank; capital, $8,000; Pres., James R. Russell; Cashier, Ed. J. Russell; Asst. Cashier, Wm. McCormick.

TENNESSEE.

Nashville—First Savings Bank & Trust Co.; capital, $100,000; Pres., F. O. Watts; Cashier, L. K. Thompson.

TEXAS.

Como—Merchants & Planters' Bank; capital, $1,700; Pres., E. P. McGarity; Vice-Pres., S. W. Hogan and J. M. Fleming; Cashier, B. E. Morris.

Humble—Geo. W. Armstrong & Co.; capital, $10,000; Cashier, G. L. Colp; Asst. Cashier, J. W. Fincher.

Whitt—Bank of Whitt; capital, $15,000; Pres., Cicero Smith; Vice-Pres., N. G. Bailey; Cashier, E. N. Miller.

WEST VIRGINIA.

Gauley Bridge—Bank of Gauley; capital, $10,000; Pres., J. H. Miller, Jr.; Vice-Pres., C. C. Sharp; Cashier, Fenton A. Miller.

Moundsville—Mount City Bank; capital $50,000; Pres., J. C. Bardall; Vice-Pres., C. E. Haddox; Cashier, H. W. Hunter; Asst. Cashier, C. H. Hunter.

WISCONSIN.

Macfarland—Macfarland State Bank; capital, $15,000; Pres., John M. Anderson; Vice-Pres., P. E. Brickson; Cashier, Chas. F. Hunter.

CANADA.

QUEBEC.

Ste. Anne de la Pocatiere—Banque Nationale; J. Ernest Giguere, Mgr.

NORTH WEST TERRITORY.

Lethbridge—Canadian Bank of Commerce.

Macleod—Canadian Bank of Commerce (successor to Cowdry Bros.) H. M. Stewart, Mgr.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Mobile—Merchants' Bank; D. R. Dunlap, Cashier, resigned.
Union Springs—First National Bank; J. G. McAndrew, Vice-Pres. in place of C. H. Haynes, deceased.

CALIFORNIA.

Pasadena—Pasadena National Bank; Henry Newby, Pres. in place of Gilbert W. Pratt; J. H. Woodworth, Vice-Pres.
Petaluma—Petaluma National Bank; Charles Martin, Pres., deceased.
Pomona—First National Bank; Charles E. Walker, Pres. in place of John Law, resigned.
San Diego—First National Bank; Jacob Gruendike, Pres., deceased.—American National Bank; W. C. Durgin, Cashier in place of W. H. Hubbard.—National Bank of Commerce; A. M. Brown, Cashier in place of Victor E. Shaw.
San Rafael—Marin County Bank; Charles Martin, Pres., deceased.
San Francisco—Bank of California; capital increased to $4,000,000.

COLORADO.

Colorado City—First National Bank; Earl C. Heinly, Cashier in place of B. F. Clark.
Eaton—Bank of Eaton and First National Bank; consolidated under latter title; A. C. Adams, Pres. in place of W. W. Sullivan; J. D. Wilson, Vice-Pres.
Glenwood Springs—Citizens' National Bank; no Asst. Cashier in place of M. Waessel.
Grand Junction—Grand Valley National Bank; William J. Moyer, Pres. in place of John E. Phillips.

CONNECTICUT.

New Britain—Mechanics' National Bank; L. H. Pease, Vice-Pres.; F. S. Chamberlain, Asst. Cashier.
Norwalk—Central National Bank; Eugene L. Boyer, Vice-Pres., deceased.

DISTRICT OF COLUMBIA.

Washington—Traders' National Bank; C. J. Rixey, Vice-Pres. in place of William A. Gordon.

GEORGIA.

Atlanta—Atlanta National Bank; Geo. R. Donovan, Cashier in place of H. R. Bloodworth; James S. Floyd, First Asst. Cashier.
Covington—Bank of Covington; John F. Henderson, Pres. in place of L. O. Benton.
La Fayette—First National Bank; no Pres. in place of A. R. Steele, deceased.
Macon—American National Bank; R. W. Johnston, Vice-Pres.

IDAHO.

Boise—Bank of Commerce, Ltd.; J. E. Clinton, Jr., Cashier in place of H. N. Coffin.—First National Bank of Idaho; no Cashier in place of Geo. F. Redway.
Montpelier—First National Bank; E. A. Burrell, Cashier in place of R. A. Sullivan; Geo. E. Marks, Asst. Cashier.

ILLINOIS.

Abingdon—First State Bank; title changed to First State & Savings Bank.
Chicago—American Trust & Savings Bank and Federal Trust & Savings Bank; consolidated under former title.
Henry—First National Bank; Charles R. Jones, Pres. in place of W. T. Law; T. L. Jones, Cashier in place of Chas. R. Jones; no Asst. Cashier in place of T. L. Jones.
Le Roy—First National Bank; J. T. Crumbaugh, Vice-Pres., deceased.
Pittsfield—First National Bank; G. D. Hicks, Asst. Cashier.

INDIANA.

Farmersburg—Citizens' Bank; title changed to Citizens' State Bank; capital stock, $25,000.
Greensburg — Greensburg National Bank; Dan S. Perry, Cashier in place of J. B. Kitchin; A. J. Lowe, Asst. Cashier in place of Dan S. Perry.
Kokomo—Kokomo National Bank; Wm. A. Marsh, Cashier; no. Asst. Cashier in place of J. H. Richardson.
Worthington—Worthington Exchange Bank; C. N. Shaw, owner, deceased.

INDIAN TERRITORY.

Hugo—First National Bank; J. P. Dick, Pres. in place of A. H. Campbell; L. W. Oakes, Vice-Pres. in place of J. N. Leard.
Paul's Valley—First National Bank; S. J. Garvin, Pres. in place of C. J. Grant, deceased; Tom Grant, Vice-Pres. in place of S. J. Garvin.
Vinita—Cherokee National Bank; W. H. Darrough, Vice-Pres. in place of Thomas T. Wimer; C. C. Roberts, Cashier in place of W. R. McGeorge.

IOWA.

Audubon—Commercial Bank; F. M. Leet, Cashier, deceased.
Clarinda—Clarinda National Bank; Ed. F. Rose, Vice-Pres.
Exira—First National Bank; no Pres. in place of F. M. Leet, deceased; no Asst. Cashier in place of W. E. Wissler.
Gray—Farmers' Exchange Bank; F. M. Leet, Pres., deceased.
Lineville—First National Bank; D. T. Sollenbarger, Cashier in place of P. A. Rockhold; no Asst. Cashier in place of H. S. Petty.
Logan—First National Bank; E. J. Wood, Asst. Cashier in place of B. J. Wood.
Manning—German Savings Bank; F. M. Leet, Pres., deceased.
Valley Junction — First National Bank; no Pres. in place of L. P. Bennett.

KANSAS.

Chetopa—Chetopa State Bank; M. H. Norton, Cashier, resigned.
Eureka—Home National Bank; M. E. Holmes, Asst. Cashier.
Kansas City—Kansas State Bank; M.

H. Norton, Cashier in place of C. N. Prouty.

KENTUCKY.

Lancaster—Citizens' National Bank; J. J. Walker, Vice-Pres. in place of J. S. Robinson.

LOUISIANA.

Franklin—First National Bank; R. H. Collins, Asst. Cashier.
New Iberia—State National Bank; J. R. Perry, Asst. Cashier in place of H. E. Suberbielle.

MAINE.

Portland—Maine Savings Bank; Eben Corey, Pres., deceased.
Waterville—Merchants' National Bank and Waterville Trust Co.; consolidated under latter title.

MARYLAND.

Baltimore—St. James Savings Fund; title changed to St. James Savings Bank.
Frederick—First National Bank; Geo. T. Baumgardner, Cashier in place of Ira Tyler, deceased.
Havre de Grace—Citizens' National Bank; Wm. A. Leffler, Cashier in place of S. M. Hanway.
Ridgely—Bank of Ridgely; John A. Sigler, Pres. in place of Thomas A. Smith, resigned.

MASSACHUSETTS.

Amesbury—Amesbury National Bank; F. W. Merrill, Vice-Pres. in place of Wm. Smeath.
Boston—Eliot National Bank; Garrard Comly, Vice-Pres.; Wm. P. Bailey and Louis Harvey, Asst. Cashiers.—Monument National Bank of Charlestown; title changed to Monument National Bank of Boston.—Boylston National Bank; Charles Torrey, Pres., deceased; Harry W. Cummer, Vice-Pres.—Mount Vernon National Bank; Wm. S. Miller, Asst. Cashier.
Haverhill—Merrimack National Bank; Charles W. Arnold, Pres. in place of Dudley Porter, deceased.
Holyoke—Holyoke Savings Bank; William Whiting, Pres. in place of Geo. W. Prentiss, resigned; W. S. Loomis, Vice-Pres.
Marblehead—National Grand Bank; Leonard H. Phillips, Pres. in place of David K. Phillips, deceased.
Springfield—First National Bank; James W. Kirkham, Pres. in place of John Olmsted.
Worcester—Worcester Trust Co.; William D. Luey, Pres.; Henry A. Marsh and Nathaniel Paine, Vice-Presidents.

MICHIGAN.

Muskegon—Hickley National Bank; Thomas Munroe, Pres. in place of Charles H. Hackley, deceased; D. D. Erwin, Vice-Pres.

MINNESOTA.

Deer Creek—First National Bank; James A. Brown, Pres. in place of Edward J. Webber.
Fulda—First National Bank; J. J. Schueller, Cashier in place of F. G. Kickul.
Rushmore—First National Bank; W. C. Thom, Asst. Cashier in place of L. T. Arduser.

MISSISSIPPI.

Gunnison—Bank of Gunnison; capital increased to $25,000.
Magnolia—Magnolia Bank; V. L. Terrell, Cashier in place of W. A. Gill, resigned.

MISSOURI.

Brunswick—First National Bank; Geo. W. Cunningham, Pres. in place of T. S. Griffen, deceased.
Clarence—Shelby County State Bank; capital increased to $50,000.—Citizens' Bank; capital increased to $40,000.
Seneca—First National Bank; A. L. Duff, Cashier in place of M. S. Hardesty; B. H. Smart, Asst. Cashier.
St. Joseph—Tootle-Lemon National Bank; Milton Tootle, Jr., Pres.
St. Louis—American Exchange National Bank and Mechanics' National Bank; consolidated under title of Mechanics - American Exchange National Bank; capital, $2,000,000; surplus, $2,500,000.

NEBRASKA.

Bloomfield—First National Bank; F. J. Uehling Cashier in place of Fred Volpp; no Asst. Cashier in place of F. J. Uehling.
South Omaha—Packers' National Bank; capital increased to $150,000.

NEW HAMPSHIRE.

Berlin—City National Bank; J. Selden Phipps, Cashier, deceased.
Peterborough—Peterborough Savings Bank; George W. Farrar, President, deceased.

NEW JERSEY.

Butler—First National Bank; C. G. Wilson, Cashier in place of M. S. Condit; O. T. Thorne, Asst. Cashier in place of C. G. Wilson.
Newark—Merchants' National Bank; Robert L. Phillips, Asst. Cashier in place of Frank L. Luff, resigned.—Federal Trust Co.; Frank L. Luff, Treasurer.
Paterson—Silk City Safe Deposit & Trust Co.; Wm. C. Martin, Pres. in place of William Rhyle; William H. Belcher and John E. Dunning, Vice-Presidents.

NEW MEXICO.

Artesit—First National Bank; Edward F. Phillips, Asst. Cashier.
Deming—Deming National Bank; A. J. Clark, Pres. in place of T. M. Wingo.

NEW YORK.

Candor—First National Bank; F. M. Humiston, Cashier in place of F. W. Smith.
Kinderhook—National Union Bank; Henry Strain, Vice-Pres.
Lyons—Gavitt National Bank; W. S. Gavitt, Pres. in place of S. B. Gavitt, deceased; G. J. Gavitt, Vice-Pres. in place of W. S. Gavitt; S. B. Gavitt, Cashier, formerly signing S. B. Gavitt, 2d.
Massena—First National Bank; no Pres. in place of F. J. Hyde.
Moravia—First National Bank; Wm. E. Keeler, Pres. in place of Terry Everson, deceased; Wm. Fitts, Vice-Pres. in place of Wm. E. Keeler; no Asst. Cashier in place of Wm. Fitts.

New York—National Shoe & Leather Bank; Alfred J. McGrath, Second Vice-Pres. in place of G. B. Sayers, resigned; S. Ludlow, Jr., Asst. Cashier in place of Alfred J. McGrath.—Standard Trust Co.; Zelah Van Loan, Asst. Secretary.—National Bank of North America; E. B. Wire, Cashier in place of A. H. Curtis.—Jefferson Bank; surplus increased to $300,000.—A. Iselin & Co.; Adrian Iselin, deceased.—Central Realty Bond & Trust Co. and Lawyers' Title Insurance Co.; consolidated under title of Lawyers' Title Insurance & Trust Co.—United States Mortgage & Trust Co.; Geo. M. Cumming, Pres. in place of Geo. W. Young, resigned.—Maiden Lane National Bank; Henry Ollesheimer, President in place of Robert D. Kent.

Palmyra—H. P. Knowles & Co.; Geo. W. Knowles, deceased.

Poughkeepsie — Poughkeepsie Trust Co.; Charles W. Pilgrim, Vice-Pres. in place of Jacob Lefevre, deceased.

Rochester—Traders' National Bank; capital stock increased to $500,000. —Mechanics' Savings Bank; Arthur Leutchford, Sec. and Treas., deceased.

Rome—Oneida County Savings Bank; Owen E. Owens, Pres., deceased.

Waterville—National Bank of Waterville; Geo. I. Hovey, Vice-Pres. in place of Daniel Conger.

NORTH CAROLINA.

Greenville—Greenville Banking & Trust Co.; J. R. Spier, Vice-Pres.; C. S. Carr, Asst. Cashier.

Lumberton—First National Bank; E. O. Anderson, Asst. Cashier.

OHIO.

Elyria—Elyria Savings & Banking Co.; William A. Braman, Pres., deceased.

Fremont—First National Bank; Charles G. Wilson, Pres. in place of A. H. Miller, deceased; S. Brinkerhoff, Vice-Pres. in place of Chas. G. Wilson.

Grove City—First National Bank; J. Merton Briggs, Cashier in place of I. Shaffer.

Mount Sterling—First National Bank; L. G. Loofbourrow, Cashier, deceased.

Springfield—Lagonda National Bank; Robert Johnson, Vice-Pres. in place of Wm. S. Thompson.

Steubenville—Miners & Mechanics' Savings Bank; John W. Cookson, Treas., deceased.

Toledo—Holcomb National Bank; no Vice-Pres., in place of J. V. Shoemaker, deceased.

OKLAHOMA.

Lexington—First National Bank; L. T. Voltz, Vice-Pres. in place of Chas. Stewart; no. Asst. Cashier in place of H. A. Ingram.

Mangum — City National Bank; Charles Crow, Pres. in place of J. Leadbetter.

Sayre—First National Bank; C. E. Gannaway, Cashier in place of C. H. Tinker; Guy Ford, Asst. Cashier in place of C. E. Gannaway.

Stroud—First National Bank; F. G. Dennis, Vice-Pres. in place of J. W. Stroud; Fred D. Bearly, Cashier in place of F. G. Dennis; no Asst. Cashier in place of W. A. Geren.

PENNSYLVANIA.

Braddock—Citizens' Bank and Braddock Trust Co.; consolidated under latter title.

Cochranton—First National Bank; E. W. Echols, Pres. in place of A. Gaston; J. H. Allison, Cashier in place of Jesse Moore.

Crafton—First National Bank; H. H. Johns, Cashier in place of S. C. Cover; no Asst. Cashier in place of H. H. Johns.

East Stroudsburg—East Stroudsburg National Bank; M. S. Kistler, Cashier in place of L. H. Nicholas.

Homestead—First National Bank; Herbert Riheldaffer, Asst. Cashier in place of C. W. Morton.

Jonestown—Jonestown Bank; W. E. Brunner, Pres., deceased.

Marysville—First National Bank; F. W. Geib, Acting Cashier in place of J. E. Wilson.

Monaca—Monaca National Bank; Robert C. Campbell, Cashier in place of Robert L. Hood.

New Bethlehem—First National Bank; J. Addison Wick, Vice-Pres. in place of G. T. Henry.

Palmyra—Palmyra Bank; W. E. Brunner, Pres., deceased.

Portland—Portland National Bank; L. H. Nicholas, Cashier in place of Wm. H. Oyer, resigned.

Reading—Schuylkill Valley Bank; William H. Luden, Pres. in place of John Kissinger, deceased; Charles E. Leippe, Second Vice-Pres.

Reedsville—Reedsville National Bank; John Reed, Vice-Pres. in place of John Wilson, deceased.

Waynesburg — American National Bank; S. E. Winget, Pres. in place of James E. Sayers.

West Chester—National Bank of Chester County; Geo. Heed, Asst. Cashier.

York—Drovers & Mechanics' National Bank; no Vice-Pres. in place of James G. Glessner.

RHODE ISLAND.

Kingston — National Landholders' Bank; charter expired by limitation.

Woonsocket—National Globe Bank; Darius D. Farnum, Pres. in place of Arlon Mowry.

SOUTH CAROLINA.

Florence—Commercial Bank; capital increased to $50,000.

Greenville—National Bank of Greenville; W. E. Beattie, Vice-Pres.; H. C. Beattie, Cashier in place of W. E. Beattie; Perry Beattie, Asst. Cashier in place of H. C. Beattie.

TENNESSEE.

Henderson—Farmers & Merchants' Bank; W. C. Trice, Vice-Pres. in place of H. D. Franklin; J. F. O'Neal, Jr., Cashier in place of R. E. McKinney, resigned.

Memphis—First National Bank; S. H. Brooks, Vice-Pres. in place of James Lee, deceased.

TEXAS.

Albany—Albany National Bank; C. B. Snyder, Jr., Vice-Pres. in place of J. G. Lowdon.

Austin—City National Bank; no Vice-Pres. in place of R. L. Brown; Geo. W. Walling, Jr., Cashier in place of Jasper Woolridge.
Beeville—First National Bank; J. C. Wood, Vice-Pres. in place of A. C. Jones, deceased; no Second Vice-Pres. in place of J. C. Wood.
El Campo—First National Bank; W. J. Hefner, Pres. in place of T. J. Poole; G. A. Rives, Vice-Pres. in place of J. B. Holloway; no Asst. Cashier in place of G. A. Rives.
El Paso—First National Bank; J. M. Raynolds, Vice-Pres.
Paris—Paris National Bank; A. G. Hubbard, Cashier in place of S. H. Hancock.
San Angelo—First National Bank; capital increased to $250,000.
San Antonio—National Bank of Commerce; A. L. C. Magruder, Asst. Cashier.
Stamford—First National Bank; J. C. Bryant, Vice-Pres.; H. G. Nold, Asst. Cashier.
Sulphur Springs—First National Bank; E. E. Tomlinson, Vice-Pres., deceased.
Wills Point—First National Bank; C. E. Dean, Asst. Cashier in place of C. J. Montague.
Wortham—First National Bank; A. C. Harris, Vice-Pres. in place of O. S. Houston; A. T. Watson, Vice-Pres.; J. W. Bonner, Asst. Cashier in place of C. B. Dunagan.

UTAH.

Salt Lake City—Wells, Fargo & Co. Bank; sold to Walker Bros.—Commercial National Bank; Harry P. Clark, Cashier in place of E. W. Wilson, resigned.

VERMONT.

White River Junction—National Bank of White River Junction; Solon F. Frary, Pres. in place of Geo. W. Smith.

VIRGINIA.

Lynchburg—American National Bank; S. H. Taylor, Cashier in place of W. K. Smiley.
Staunton—National Valley Bank; Edward Echols, Pres. in place of R. W. Burke, deceased.

WASHINGTON.

Odessa—Odessa State Bank; Geo. A. Kennedy, Cashier, resigned.

WEST VIRGINIA.

Morgantown — Citizens' National Bank; E. D. Tumlin, Cashier in place of D. C. Hoffman, resigned.—Federal Savings & Trust Co.; E. D. Tumlin, Treasurer in place of D. C. Hoffman, resigned.
Union—Bank of Union; J. W. McNeer, Cashier, deceased.

WISCONSIN.

Algoma—Bank of Algoma; Edward Decker, Jr., Vice-Pres., deceased.
Casco—Bank of Casco; Edward Decker, Jr., Vice-Pres., deceased.
Hudson—First National Bank; Wm. H. Phipps, Vice-Pres. in place of B. J. Price.
Kaukauna—Bank of Kaukauna; Peter Reuter, Pres. deceased.
Milwaukee—First National Bank; Frederick Vogel, Jr., Pres. in place of Frank G. Bigelow; first Vice-President, J. H. Van Dike; Assistant Cas., Thomas E. Camp.
Rib Lake—First National Bank; E. C. Getchel, Cashier in place of T. R. Begley.
Stevens Point—Citizens' National Bank; R. B. Johnson, Cashier in place of G. E. McDill, deceased; E. A. Krembs, Asst. Cashier.

CANADA.

ONTARIO.

Stouffville—Sovereign Bank of Canada; W. J. Stark, Manager, resigned.
Toronto—Merchants' Bank of Canada; Daniel Miller, Manager, resigned.

NOVA SCOTIA.

Amherst—Royal Bank of Canada; J. H. Abbott, Manager, deceased.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

COLORADO.

Sugar City—Citizens' National Bank; in voluntary liquidation March 31.

INDIANA.

Ladoga—Bank of Ladoga.
Wolcott—Farmers' Bank.

IOWA.

Sioux City—City National Bank; in voluntary liquidation April 1; consolidated with First National Bank.

MASSACHUSETTS.

Cambridge—Cambridgeport National Bank; in voluntary liquidation March 30; succeeded by Central Trust Co.
North Attleborough—North Attleborough National Bank; in voluntary liquidation April 1; succeeded by Jewelers' National Bank.

MICHIGAN.

Owosso—M. L. Stewart & Co.

NEW YORK.

Brooklyn—Sprague National Bank; in voluntary liquidation April 3; absorbed by Mechanics' Bank.

NORTH CAROLINA.

Benson—Bank of Benson.

TEXAS.

Gonzales—Gonzales National Bank; in voluntary liquidation April 15.

WEST VIRGINIA.

Clarksburg—Traders' National Bank; in voluntary liquidation April 10; succeeded by Union National Bank.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, May 3, 1905.

VIOLENT FLUCTUATIONS IN THE STOCK MARKET were the reflex of various contending influences which were operative last month. It is not always possible to trace cause and effect in Wall Street transactions even after results are definitely known, and consequently many of the movements in market values during the month just closed are not explainable. Early in the month, while the fluctuations in prices were somewhat irregular, there was a strong upward movement. Through it all, however, there was an exhibition of sensitiveness which suggested topheaviness. So remote a contingency as a naval battle between Russia and Japan had only to be rumored to start a selling movement.

The market continued its general advance until April 15, but on April 18 there came a violent break, which started prices on a downward course that continued until the close of the month. The record of prices for April shows several stocks to have reached the highest prices for the year early in the month, while a majority of stocks, on the other hand, reached the lowest prices recorded this year, late in the month.

The collapse of another big wheat deal was one of the important events of the month. The operators who undertook to corner the wheat market had to abandon their undertaking at considerable loss. The price of May wheat in Chicago dropped heavily and almost continuously until it was thirty cents lower than the high price of last February. While it has been evident for some time that the supply of wheat was too large to justify the forcing upward of prices, the Government report on winter wheat, issued on April 10, was of itself a blow to the "corner." The report showed an exceptionally favorable condition and the average of 91.6, figured by the Department of Agriculture, indicated a crop yield of about 480,000,000 bushels—the largest ever recorded. While it is yet too early to count the wheat crop in bushels, still the outlook is so promising that the natural effect would be to weaken the price of wheat, and the favorable situation served to complete the collapse of the wheat corner.

Northern Securities in making its exit from the investment world exerted a very marked influence. On April 3 the United States Supreme Court announced its reason for vacating the injunction obtained to prevent the pro rata distribution of the securities held by the company. A few days after the Union Pacific interests declared that they would make no further contest. On April 15 Northern Securities stock sold at 185⅜, the highest price ever reached. Only a few days subsequently it dropped heavily and touched 165, and the following week fell to 155. Union Pacific interests, it was reported, had been selling out their holdings.

The distribution of Northern Securities assets has revived Northern Pacific as an Exchange security, and on April 24 the stock was again dealt in at the Stock Exchange. The price since that date ranged from 165 to 178, the final quotation being 169.

Some surprise was caused early in the month by the announcement that the shareholders of the Union Pacific would be called together on May 5 to authorize an issue of $100,000,000 new four per cent. preferred stock. The purpose of this issue has not been disclosed. Other issues of securities are also being arranged. The Erie Railroad gave notice of an increase of $20,000,000 stock. The directors of the Cleveland, Cincinnati, Chicago and St. Louis Railway voted to increase the capital stock $11,200,000. New York City sold $25,000,000 3½ per cent. bonds at prices which netted the purchaser from 3.47 to 3.49 per cent. The price realized was not so favorable

as was obtained last November when $25,000,000 3½ per cent. bonds were sold on a basis of 3.40 per cent.

While in most respects the business and financial situation reflects prosperous conditions, there have been several disturbing influences. Following the collapse of the wheat speculation came the news that President Bigelow, of the First National Bank of Milwaukee, had lost a large amount of the bank's funds in the same wheat speculation. It was a very unpleasant disclosure, and for a time the banking institutions with which he was connected were subjected to considerable strain. The grave situation was met with exceptional ability, and confidence appears to have been completely restored.

The unfortunate controversy in the management of the Equitable Life Assurance Society, of New York, has also had a serious influence in unsettling confidence, not only with respect to life insurance, but to a certain extent the general investment field has felt the shock. The disclosures have tended to create doubts in the mind of the public. While there is no good reason to believe that the interests of the policyholders of the Equitable or of any other established life insurance company are in real peril, the controversy above mentioned has nevertheless served to arouse a feeling of distrust.

Turning in another direction, there are found influences among recent events that might in part account for the disturbance of confidence in investment circles. The New York State Legislature has been busy with taxing propositions which have antagonized many interests. A mortgage tax law imposing a tax of one-half per cent. on real estate mortgages has passed both houses of the Legislature. The stock transfer tax measure, which puts a tax of two cents on each $100 par value of stock traded in, has passed and received the signature of the Governor on April 19.

Both these measures have been bitterly opposed, and for the present at least are hurtful in their influence. The organization of a Stock Exchange in Jersey City is in its initial stages, but there is some uncertainty as to its ultimate materialization. The New York Stock Exchange, it is asserted, has had no part in the projection of the enterprise.

With the end of April the relations of capital and labor generally have come into better adjustment, although at the present time Chicago is the scene of a conflict arising out of a strike on the part of teamsters. In the building trades in New York the labor situation has materially improved. An important decision of the United States Supreme Court last month bears on one phase of the labor question. The decision declares that the ten hour law of this State is in violation of the Fourteenth Amendment of the United States Constitution. The Supreme Court thus recognizes the inalienable right of an individual to regulate his hours of labor.

The condition of the United States Treasury is attracting increased attention from the fact that it is now certain that there will be a substantial deficit for the fiscal year ending June 30. This deficit is variously estimated at from $20,000,000 to $30,000,000 and will be the first since 1899 excepting 1904, when the disbursements for the Panama Canal and loan to the St. Louis Exposition changed a surplus of about $13,000,000 to a deficit of nearly $42,000,000. With two months of the current fiscal year remaining, there is a deficit this year of $33,600,000, which may be reduced by June 30 next.

The deficient revenues furnish evidence of the wisdom of the Secretary of the Treasury in calling for a return of fifty per cent. of the public deposits now in National bank depositaries. A call was issued on April 6, and about $29,000,000 will be returned to the Treasury, one-half on or before May 15 and the remainder by July 1.

The iron trade is the most striking index of prosperity in evidence at present. The production of pig iron is exceeding all previous records, while consumption is keeping pace with production. The output of pig iron in March reached the extraordinary total of 1,970,000 tons, while on April 1 the weekly capacity of furnaces in blast was 439,564 tons. That is at the rate of nearly 23,000,000 tons a year. On January 1 last year the weekly production was only 185,636 tons.

The statement of the United States Steel Corporation for the quarter ending March 31 showed the largest net earnings for any quarter since

September 30, 1903. The total was $23,025,896, as compared with $13,445,232 in the corresponding quarter in 1904, $25,068,707 in 1903, and $26,715,457 in 1902. The largest earnings in any quarter were $37,662;058 in the three months ended June 30, 1902; the smallest were $13,445,232, in the three months ended March 31, 1904. The earnings of the first quarter of 1905 are therefore not quite midway between the largest and smallest extremes. After providing for interest, sinking funds and depreciation, there was a surplus of $12,178,326 applicable to dividends, out of which was paid for dividend on the preferred stock $6,304,919, leaving a balance of $5,873,407. There was appropriated for payment for additional property, construction and capital obligations $3,300,000, reducing the balance of surplus to $2,573,407. The following table shows the monthly net earnings during the first quarter of each of the last four years, the deductions for interest, sinking funds, etc., dividends paid, and surplus on deficit balance:

	1902.	*1903.*	*1904.*	*1905.*
January	$8,901,016	$7,425.775	$3,868,213	$6,810,847
February	7,678,588	7.730,361	4,540.678	6.629,463
March	10.135,858	9.912,571	6.036,346	9,585 586
Total	$26,715,457	$25.068,707	$13,445,232	$23.025,896
Interest, etc	10,015,236	10,176,717	8,838,639	10,847,570
Balance	$16,700,221	$14,891,990	$4,606,593	$12,178,326
Dividends	14,013,434	14,012,944	6,304.919	6.304,919
Surplus	$2,686,787	$879,046	*$1,620,774	$5,873,407

* Deficit.

The balance, after paying interest and sinking fund charges and charging off for depreciation, is $7,500,000 larger than the same quarter last year, but is $2,700,000 less than in 1903 and $4,500,000 less than in 1902. The surplus after paying dividends on the preferred stock is a little more than one per cent. on the $508,000,000 common stock outstanding. One encouraging feature of the statement is the amount of unfilled orders reported on March 31. These aggregated 5,597,560 tons, the largest reported at the end of any quarter. They show an increase compared with January 31, 1904, of 900,000 tons, and compared with March 31, 1904, of 1,460,000 tons. The unfilled orders at the end of each quarter in the last four years were as follows:

	1902. Tons.	*1903.* Tons.	*1904.* Tons.	*1905.* Tons.
March 31	......	5,410,719	4,136,961	5,597,560
June 30	4,791,993	4.666.578	3.192,277	....
September 30	4.843,007	3,728,742	3,027,436	....
December 31	5,347,253	3,215,123	4,696,203	....

On March 31, 1903, the unfilled orders aggregated 5,410,719 tons, and that was the largest total reported until this year. It may be of interest to note that the net earnings in the quarter following March 31, 1903, amounted to $36,642,308, but it is not expected that there will be any such sequel to the present high record of unfilled orders. The results of the first quarter of 1905 negative any such presumption. On December 31 last, the unfilled orders were 4,696,203 tons, while the net earnings in the following quarter were $23,025,896. On June 30, 1903, the unfilled orders were almost the same as on December 31, 1904, 4,666,578 tons while the net earnings in the following quarter were $32,422,955. The corporation evidently is not earning as large profits as it was two years ago whatever may be the volume of business.

THE MONEY MARKET.—The condition of the local money market at the present time is one of ease. There was a sharp advance in the rate for call money, which carried it to 7 per cent. on April 20, the highest point recorded since December, 1903. There was an immediate decline, however, and late in the month rates were not only lower, but the favorable bank statement indicated no immediate advance. At the close of the month call money ruled at 2¼ @ 3¼ per cent., averaging about 3 per cent. Banks and trust companies loaned at 3 per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 3¼ per cent. for 60 to 90 days, 3½

per cent. for 4 to 6 months, and 3¾ per cent. for 7 to 8 months on good mixed collateral. For commercial paper the rates at 3¾ @ 4 per cent. for 60 to 90 days' endorsed bills receivable, 4 @ 4½ per cent. for first-class 4 to 6 months' single names, and 4½ @ 5 per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Dec. 1.	Jan 1.	Feb. 1.	Mar. 1.	Apr. 1.	May. 1.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Call loans, bankers' balances	3⅛–4	2½–5	1¾–2	2¼–3	3⅛–4⅛	2¾–3¼
Call loans, banks and trust companies	3⅛–4	2½–	2 –	2¼–	3⅛–	3 –
Brokers' loans on collateral, 30 to 60 days	4 –	3 – 3¼	2¾–	3 – ¼	3¼– ½	3¼–
Brokers' loans on collateral, 90 days to 4 months	4 –	3¼– ½	3 –3¼	3¼–	3½– ¾	3¼– ½
Brokers' loans on collateral, 5 to 7 months	4 –	3¼– ½	3¼– ½	3½– ¾	3½– ¾	3½– ¾
Commercial paper, endorsed bills receivable, 60 to 90 days	4 –4½	4 –4½	3½–4	3½–4	3¾–4¼	3¾–4
Commercial paper prime single names, 4 to 6 months	4¼–4¾	4 –4½	3¾–4¼	3¾–4¼	4 –4½	4 –4½
Commercial paper, good single names, 4 to 6 months	5 –5½	4½–5	4½–	4½–5	4½–5	4½–5

NEW YORK CITY BANKS.—The net changes in the condition of the New York Clearing-House banks for the month are: loans, decrease $1,300,000; deposits, increase $7,800,000; specie reserve, increase $8,200,000; legal-tenders, increase $1,700,000; total reserves, increase $9,900,000; surplus reserve increase, $8,000,000. The last-named item now exceeds $16,600,000, but is only one-half of what it was a year ago. Deposits are $32,000,000 more than they were at this time last year, while loans show an increase of $48,000,000. Reserves are $8,000,000 less than in 1904, legal tenders having increased $9,000,000 and specie decreased $17,000,000.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
April 1...	$1,099,289,700	$209,481,100	$83,848,800	$1,138,661,800	$8,664,575	$43,718,700	$1,914,562,300
" 8...	1,090,759,600	208,035,200	82,672,500	1,128,100,700	8,682,525	44,120,400	2,050,003,500
" 15...	1,099,611,100	210,954,800	83,323,100	1,139,702,000	9,352,400	44,407,900	2,082,178,300
" 22...	1,107,294,900	216,116,900	83,323,300	1,151,968,600	11,448,050	44,483,200	1,940,652,000
" 29...	1,097,902,100	217,715,100	85,582,300	1,146,528,600	16,665,250	44,149,200	2,207,778,300

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	1903.		1904.		1905.	
	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.
January	$873,115,000	$10,193,850	$866,178,900	$9,541,850	$1,104,049,100	$18,683,425
February	931,778,900	27,880,775	1,023,943,800	25,129,050	1,189,828,600	26,979,550
March	956,206,400	5,951,900	1,027,920,400	32,150,200	1,179,824,900	14,646,075
April	894,260,000	6,280,900	1,069,369,400	27,755,050	1,138,661,300	8,664,575
May	905,760,200	11,181,850	1,114,367,800	33,144,250	1,146,528,600	16,665,250
June	913,081,800	9,645,150	1,098,953,500	29,692,325	....	....
July	908,719,800	12,923,850	1,152,968,800	36,105,300	....	....
August	906,864,500	24,060,075	1,204,965,600	55,989,600	....	....
September	920,123,900	20,677,925	1,207,302,800	57,375,400	....	....
October	897,214,400	13,937,500	1,212,977,100	19,913 425	....	....
November	885,616,600	10,274,150	1,204,434,200	16,793,650	....	....
December	841,552,000	6,125,200	1,127,878,100	8,539,075	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,145,989,200 on October 8, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
April 1....	$111,721,800	$123,271,800	$4,462,000	$5,958,700	$12,186,100	$6,763,200	* $1,502,825
" 8....	118,054,100	125,066,700	4,819,900	6,015,900	12,676,900	6,542,200	* 1,711,775
" 15....	118,781,700	126,888,800	4,574,800	6,268,400	12,812,500	6,698,200	* 1,354,550
" 22....	116,198,700	129,411,200	4,907,100	6,609,100	12,568,000	7,060,500	* 1,208,100
" 29....	118,118,800	133,408,400	5,123,800	7,184,000	13,559,600	7,076,800	* 408,400

* Deficit.

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
April 1........	$196,258,000	$228,277,000	$18,969,000	$5,770,000	$7,780,000	$140,794,900
" 8........	198,900,000	232,665,000	18,265,000	5,607,000	7,907,000	167,893,800
" 15........	195,401,000	232,672,000	18,622,000	5,668,000	7,923,000	159,004,800
" 22........	192,556,000	233,029,000	19,835,000	5,711,000	7,911,000	142,201,700
" 29........	195,204,000	231,612,000	19,576,000	6,240,000	7,863,000	....

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Apr. 1.................	$220,026,000	$253,017,000	$59,569,000	$12,188,000	$116,480,400
" 8.................	220,061,000	252,206,000	58,967,000	12,266,000	189,806,000
" 15.................	218,988,000	255,324,000	60,953,000	12,258,000	129,449,800
" 22.................	217,261,000	254,912,000	62,281,000	12,272,000	128,551,000
" 29.................	216,344,000	254,480,000	62,518,000	12,301,000	153,450,000

MONEY RATES ABROAD.—There was no change in the posted rates of discount of the principal European banks last month. The Bank of England rate remains at 2½ per cent. Discounts of 60 to 90 day bills in London at the close of the month were 2⅛ @ 2¼ per cent., against 2 per cent. a month ago. The open market rate at Paris was 1¾ @ 1⅞ per cent., against 2⅛ per cent. a month ago, and at Berlin and Frankfort 2¼ @ 2⅜ per cent., against 2¼ @ 2½ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Feb. 2, 1905.	*Mar. 2, 1905.*	*Mar. 30, 1905.*	*Apr. 30, 1905.*
Circulation (exc. b'k post bills)..........	£27,558,000	£27,593,000	£28,595,000	£28,643,000
Public deposits..........................	7,421,000	15,190,000	18,274,000	10,650,000
Other deposits..........................	42,641,000	41,590,000	42,559,000	39,738,000
Government securities..................	16,308,000	16,540,000	15,589,000	15,495,000
Other securities.........................	25,471,000	29,829,000	34,418,000	27,048,000
Reserve of notes and coin..............	22,825,000	29,853,000	28,187,000	26,629,000
Coin and bullion........................	35,510,000	38,994,000	39,758,914	36,822,232
Reserve to liabilities..................	52⅝%	52⅛%	49⅛%	50¾%
Bank rate of discount..................	3%	3%	2½%	2½%
Price of Consols (2¾ per cents.)..........	88⅛	91 1/16	91 1/16	90¼
Price of silver per ounce................	28⅛d.	27 15/16d.	26 1/16d.	26 5/16d.

FOREIGN BANKS.—The Bank of England lost $15,000,000 gold during the past month; the Bank of France $3,500,000, Germany $5,000,000 and Austria-Hungary $1,000,000. Russia gained an amount about equal to the loss of the Bank of England, $15,000,000.

Gold and Silver in the European Banks.

	March 1, 1905.		April 1, 1905.		May 1, 1905.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£38,853,000	....	£38,904,969	....	£35,822,242	....
France	112,837,475	£44,130,362	112,470,802	£44,063,193	111,746,715	£43,943,740
Germany	41,635,000	13,879,000	41,118,000	13,705,000	40,078,000	13,359,000
Russia	108,056,000	6,186,000	102,030,000	6,146,000	105,014,000	6,868,000
Austria-Hungary	48,224,000	12,701,000	48,254,000	12,828,000	47,992,000	13,027,000
Spain	14,937,000	20,308,000	14,941,000	20,530,000	14,807,000	21,041,000
Italy	22,264,000	3,250,600	22,264,000	3,250,600	22,884,000	3,527,400
Netherlands	6,008,300	6,291,800	6,008,300	6,291,800	6,079,200	6,244,100
Nat. Belgium	3,189,333	1,594,667	3,184,667	1,592,333	3,195,333	1,597,667
Totals	£390,999,331	£108,341,429	£389,255,258	£108,428,926	£387,618,490	£109,607,907

Foreign Exchange.—Rates for sterling advanced in the first part of the month, were weaker about the middle of the month, and became stronger later. The market is quiet and a scarcity of cotton bills was reported.

Rates for Sterling at Close of Each Week.

Week ended.	Bankers' Sterling.		Cable transfers.	Prime commercial, Long.	Documentary Sterling. 60 days.
	60 days.	Sight.			
Apr. 1	4.8410 @ 4.8420	4.8585 @ 4.8600	4.8630 @ 4.8635	4.83¾ @ 4.83⅛	4.83 @ 4.84¼
" 8	4.8455 @ 4.8465	4.8630 @ 4.8635	4.8660 @ 4.8670	4.84⅛ @ 4.84¼	4.83⅛ @ 4.84⅜
" 15	4.8430 @ 4.8440	4.8610 @ 4.8615	4.8630 @ 4.8640	4.83⅞ @ 4.84	4.83¼ @ 4.84¼
" 22	4.8445 @ 4.8455	4.8620 @ 4.8625	4.8640 @ 4.8650	4.84 @ 4.84⅛	4.83⅝ @ 4.84⅜
" 29	4.8455 @ 4.8460	4.8650 @ 4.8655	4.8680 @ 4.8685	4.84¼ @ 4.84⅜	4.83⅛ @ 4.84¼

Foreign Exchange—Actual Rates on or about the First of Each Month.

	Jan. 1.	Feb. 1.	March 1.	April 1.	May 1.
Sterling Bankers—60 days	4.84¾— ⅞	4.85⅝— ¾	4.84½—	4.84⅛— ¼	4.84⅛— ⅜
" " Sight	4.87⅛— ¼	4.88 —	4.86⅝—	4.85⅞—86	4.86⅛— ⅜
" " Cables	4.87¾— ⅞	4.88⅜— ½	4.87 — ⅛	4.86¼— ⅜	4.86¾— ⅞
" Commercial long	4.84½— ⅝	4.85 — ¼	4.84¼— ⅜	4.83¾— ⅞	4.84 — ¼
" Docu'tary for paym't.	4.83¾— ⅞	4.84¾— 5⅛	4.83¾— 4¾	4.83 — 4½	4.83⅛— 4¼
Paris—Cable transfers	5.15 1/16— 1/16	5.14⅜—	5.17½—16⅞	5.17½—16⅞	5.16¼—
" Bankers' 60 days	5.18⅛—	5.17½—16⅞	5.18¾—	5.20 —19⅜	5.18⅛— ¾
" Bankers' sight	5.16¼—15⅝	5.15 1/16—15	5.17½—	5.17½—	5.16¼— ⅞
Swiss—Bankers' sight	5.16⅞—	5.16⅞— ¼	5.18⅛—	5.18⅛—	5.17½—
Berlin—Bankers' 60 days	95 1/16—95	94 15/16—95	94 13/16— ¾	94 9/16— ⅝	94 13/16— ⅝
" Bankers' sight	95⅛—	95⅛— 1/16	95 — 1/16	94 15/16—95	95 1/16—95
Belgium—Bankers' sight	5.16⅞—	5.16¼—	5.18⅛—	5.18⅛—	5.17½—
Amsterdam—Bankers' sight	40⅜—	40⅜— 7/16	40¼— 5/16	40¼— 5/16	40¼— 5/16
Kronors—Bankers' sight	26.86—26.88	26 11/16— 13/16	26.11/16— 13/16	26¾— ⅞	26¾— ⅞
Italian lire—sight	5.15⅝—	5.15 —14⅜	5.17½—16⅞	5.17½—	5.16⅞—17½

Silver.—The price of silver in London declined to 25 7-16d. on April 6, then advanced until it reached 26⅝d. on April 17, and finally closed at 26⅜d. on April 29.

Monthly Range of Silver in London—1903, 1904, 1905.

Month.	1903.		1904.		1905.		Month.	1903.		1904.		1905.	
	High	Low.	High	Low.	High	Low.		High	Low.	High	Low.	High	Low.
January	22⅝	21 11/16	27 5/16	25⅛	28 9/16	27 5/16	July	25⅝	24¼	27	26⅝	....	....
February	22 5/16	21⅞	27¼	25⅝	28⅜	27 9/16	August	26¾	25 5/16	27	26 5/16	....	....
March	22 13/16	22⅛	26 13/16	25⅛	28 5/16	27⅝	Septemb'r	26 7/16	26 3/16	26⅞	26	....	....
April	25 5/16	22⅝	25¼	24 7/16	27 11/16	25 13/16	October	28⅛	27 7/16	26 13/16	26⅛	....	....
May	25¾	24 5/16	25 13/16	25⅛	26⅝	25 7/16	Novemb'r	27⅝	26¼	27 5/16	26¾	....	....
June	24 5/16	24⅛	26⅛	25 5/16	....	....	Decemb'r	26⅛	25	....	....	....	....

Gold and Silver Coinage.—The mints coined $1,860,000 gold in April, $394,000 silver and $232,931.90 minor coin, making a total of $2,486,931.90. The Philippine coinage amounted to 1,500,000 peso pieces.

Coinage of the United States.

	1903.		1904.		1905.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
January	$7,635,178	$1,707,000	$2,765,000	$4,657,000	$7,819,050	$681,012
February	7,438,510	1,521,000	35,608,500	1,475,000	4,306,580	559,000
March	6,879,920	1,595,987	63,605,790	1,491,509	5,025,321	500,276
April	137,400	1,809,000	26,177,600	1,158,000	1,860,000	394,000
May	69,000	1,584,000	44,109,000	380,000	....	....
June	610	3,840,222	14,884,400	342,143	....	....
July	....	887,327	....	455,519	....	....
August	450,000	452,000	1,385,000	1,591,000	....	....
September	645,692	1,807,469	14,585,705	1,452,082	....	....
October	1,540,000	2,824,000	29,706,375	843,000	....	....
November	8,794,600	1,401,000	528,780	878,871	....	....
December	10,043,060	1,567,485	51,278	471,487	....	....
Year	$43,683,970	$19,874,440	$233,402,428	$15,695,610	$19,010,951	$2,134,288

Foreign and Domestic Coin and Bullion—Quotations in New York.

	Bid.	Asked.		Bid.	Asked.
Sovereigns	$4.86	$4.89	Mexican doubloons	$15.55	$15.65
Bank of England notes	4.86	4.89	Mexican 20 pesos	19.55	19.65
Twenty francs	3.87	3.90	Ten guilders	3.95	4.00
Twenty marks	4.74	4.77	Mexican dollars	.44½	.48½
Twenty-five pesetas	4.78	4.82	Peruvian soles	.40	.44½
Spanish doubloons	15.55	15.65	Chilian pesos	.40	.44½

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 26¾d. per ounce. New York market for large commercial silver bars, 57⅝ @ 58¾c. Fine silver (Government assay), 57⅛ @ 59¼c. The official price was 57¼c.

National Bank Circulation.—The volume of bank-note circulation was increased $5,296,000 during the past month, and the amount of bonds deposited to secure circulation was increased $2,800,000. The total amount of notes now outstanding is $481,244,945 of which $32,097,179 is represented by a deposit of lawful money to retire circulation. The increase in this deposit was more than $1,000,000 last month.

National Bank Circulation.

	Jan. 31, 1905.	Feb. 28, 1905.	Mar. 31, 1905.	Apr. 30, 1905.
Total amount outstanding	$467,422,853	$469,203,840	$475,948,945	$481,244,945
Circulation based on U. S. bonds	435,807,901	438,370,084	444,870,179	449,147,766
Circulation secured by lawful money	31,614,952	30,833,756	31,078,766	32,097,179
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	8,155,900	8,401,200	9,474,300	9,844,040
Four per cents. of 1895	1,845,350	1,835,100	2,300,500	3,085,500
Three per cents. of 1898	2,100,040	2,527,540	2,714,440	2,734,440
Two per cents. of 1900	427,427,750	429,024,300	434,520,650	437,191,800
Total	$439,529,040	$441,788,140	$449,009,890	$452,855,790

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $9,502,400; 5 per cents. of 1894, $100,000; 4 per cents. of 1895, $7,361,700; 3 per cents. of 1898, $7,347,300; 2 per cents. of 1930, $57,125,550; District of Columbia 3.65's, 1924, $1,899,000; State and city bonds, $375,000; Philippine Island certificates, $1,286,000; Hawaiian Islands bonds, $1,038,000; Philippine loan, $3,252,000; Philippine improvement bonds, $152,000; railroad and other bonds, $2,761,000; a total of $92,199,950.

Government Revenues and Disbursements.—The revenues of the Government in April were $39,778,181, or $6,500,000 less than in March and $1,700,000 less than in April, 1904. The expenditures were $48,989,600, an increase over March of $3,600,000 and over April, 1904, of nearly $2,000,000. There is a deficit for the month of more than $8,000,000, making for the ten months of the fiscal year a total deficit of nearly $33,700,000, which compares with a surplus of about $2,500,000 for the corresponding period of 1904. The expenditures for the ten months this year were $36,000,000 greater than in 1904, the principal increase being: civil and miscellaneous, $8,000,000; war, $10,000,000, and navy, $15,000,000.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	April, 1905.	Since July 1, 1904.
Customs	$20,040,945	$219,836,486
Internal revenue	17,300,353	192,700,908
Miscellaneous	2,436,883	39,176,755
Total	$39,778,181	$451,714,149
Excess receipts	*8,211,419	*33,689,557

Expenditures.

Source.	April, 1905.	Since July 1, 1904.
Civil and mis.	$15,463,151	$126,652,346
War	8,824,451	108,706,167
Navy	9,881,565	99,414,955
Indians	1,044,378	12,281,641
Pensions	10,810,657	118,266,556
Interest	3,965,398	22,082,041
Total	$48,989,600	$485,403,706

* Excess expenditures.

United States Public Debt.—The month's deficit in revenues is reflected in a reduced cash balance in the Treasury and an increase in the net debt. The balance on April 30 was $284,318,681 as compared with $291,821,623 on March 31, a decrease of $7,500,000. The total debt less cash in the Treasury was increased from $988,000,000 to $997,000,000. Since January 1 last the net debt has increased nearly $12,000,000.

United States Public Debt.

	Jan. 1, 1905.	Mar. 1, 1905.	Apr. 1, 1905.	May 1, 1905.
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$542,909,950	$542,909,950	$542,909,950	$502,909,950
Funded loan of 1907, 4 "	156,593,650	156,593,800	156,593,800	156,595,000
Refunding certificates, 4 per cent	28,610	28,520	28,520	27,860
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	77,135,360	77,135,360	77,135,360	77,135,360
Total interest-bearing debt	$895,157,470	$895,157,530	$895,157,530	$895,158,070
Debt on which interest has ceased	1,447,260	1,417,320	1,406,450	1,401,045
Debt bearing no interest:				
Legal tender and old demand notes	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct.	31,933,951	30,077,818	30,279,435	31,374,742
Fractional currency	6,868,465	6,868,465	6,867,902	6,867,902
Total non-interest bearing debt	$385,537,279	$383,681,146	$383,882,200	$384,977,507
Total interest and non-interest debt	1,282,142,010	1,280,255,997	1,280,446,180	1,281,536,622
Certificates and notes offset by cash in the Treasury:				
Gold certificates	524,684,969	521,149,969	518,186,969	519,204,969
Silver "	477,102,000	469,655,000	468,314,000	469,349,000
Treasury notes of 1890	11,019,000	10,330,000	10,111,000	9,865,000
Total certificates and notes	$1,012,805,969	$1,001,134,969	$996,611,969	$998,418,969
Aggregate debt	2,294,947,979	2,281,390,966	2,277,058,149	2,279,955,591
Cash in the Treasury:				
Total cash assets	1,402,124,509	1,380,532,680	1,379,196,552	1,371,716,257
Demand liabilities	1,105,531,820	1,089,850,841	1,087,374,929	1,087,397,575
Balance	$296,592,689	$290,681,839	$291,821,623	$284,318,681
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	146,592,689	140,681,839	141,821,623	134,318,681
Total	$296,592,689	$290,681,839	$291,821,623	$284,318,681
Total debt, less cash in the Treasury	985,549,821	989,574,158	988,624,557	997,217,941

Supply of Money in the United States.—The total stock of money in the country increased in April $11,000,000, divided about equally between gold and National bank notes. The increase since March 1 is $25,000,000.

Supply of Money in the United States.

	Jan. 1, 1905.	Mar. 1, 1905.	Apr. 1, 1905.	May 1, 1905.
Gold coin and bullion	$1,345,952,535	$1,331,165,720	$1,338,274,546	$1,343,897,159
Silver dollars	567,795,889	567,795,889	567,795,889	567,795,889
Silver bullion	1,708,079	927,992	586,672	297,523
Subsidiary silver	112,171,494	113,162,870	113,670,338	114,062,988
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	464,794,156	469,203,840	475,948,945	481,244,945
Total	$2,839,103,169	$2,828,937,327	$2,842,907,406	$2,853,979,520

MONEY IN CIRCULATION IN THE UNITED STATES.—There was an increase of $19,000,000 in the amount of money in circulation in April of which nearly $15,000,000 was in gold certificates. The per capita circulation is $31.05, nearly the same as on February 1.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1905.	*Mar. 1, 1905.*	*Apr. 1, 1905.*	*May 1, 1905.*
Gold coin	$649,548,528	$645,751,720	$644,726,546	$644,428,211
Silver dollars	80,089,895	74,829,719	78,831,778	78,641,755
Subsidiary silver	102,891,327	100,214,885	99,755,170	100,067,645
Gold certificates	466,739,689	482,556,819	472,816,819	487,142,219
Silver certificates	468,017,227	461,761,899	462,430,576	462,846,513
Treasury notes, Act July 14, 1890	10,940,054	10,283,588	10,047,776	9,822,134
United States notes	342,287,627	332,619,388	332,064,873	331,672,662
National bank notes	449,157,278	453,096,704	463,819,950	468,390,547
Total	$2,569,621,125	$2,560,614,712	$2,558,992,968	$2,578,006,686
Population of United States	82,562,000	82,794,000	82,910,000	83,026,000
Circulation per capita	$31.12	$30.93	$30.86	$31.05

MONEY IN THE UNITED STATES TREASURY.—While the total money in the United States Treasury increased $7,000,000 last month, the increase of $15,000,000 in certificates outstanding makes the net cash show a decrease of $8,000,000

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1905.	*Mar. 1, 1905.*	*Apr. 1, 1905.*	*May 1, 1905.*
Gold coin and bullion	$696,404,007	$685,414,000	$693,548,000	$699,473,948
Silver dollars	487,756,494	493,466,170	493,964,116	494,154,184
Silver bullion	1,708,079	927,992	536,672	297,523
Subsidiary silver	9,280,167	12,947,985	13,915,168	13,995,343
United States notes	4,393,389	14,061,633	14,616,143	15,008,354
National bank notes	15,636,878	16,107,136	12,122,995	12,854,398
Total	$1,215,179,014	$1,222,924,916	$1,228,709,094	$1,235,783,700
Certificates and Treasury notes, 1890, outstanding	945,696,970	954,602,301	944,794,671	959,810,866
Net cash in Treasury	$269,482,044	$268,322,615	$283,914,423	$275,972,834

UNITED STATES FOREIGN TRADE.—The export and import movement in March both showed a substantial increase. The exports were $137,542,677 an increase over February of $28,000,000, and over March, 1904, of about $18,000,000. The exports are larger than for any corresponding month in the last six years. The imports of merchandise in March were $110,463,399 and this exceeds all previous records not only for March but for every other month. The tremendous import movement keeps down the balance of net exports, yet this was $27,000,000 in March as against less than $6,000,000 in February. The net imports of gold were $2,741,708 but the gold movement for the fiscal year shows a net loss in ten months of more than $40,000,000 in spite of a net export balance in merchandise of $306,000,000.

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF MARCH.	MERCHANDISE.				Gold Balance.		Silver Balance.	
	Exports.	*Imports.*	*Balance.*					
1900	$134,157,225	$86,522,456	Exp.,	$47,634,769	Imp.,	$339,656	Exp.,	$2,303,276
1901	124,473,643	75,886,834	"	48,586,809	"	2,030,186	"	2,443,820
1902	106,749,401	84,227,082	"	22,522,319	Exp.,	1,796,633	"	994,792
1903	132,093,964	96,230,457	"	35,863,507	Imp.,	3,525,130	"	2,185,879
1904	119,888,449	91,347,909	"	28,540,540	"	5,791,704	"	1,990,467
1905	137,542,677	110,463,399	"	27,079,278	"	2,741,708	"	1,659,836
NINE MONTHS.								
1900	1,053,630,696	641,776,030	Exp.,	411,854,666	Imp.,	7,769,846	Exp.,	16,774,288
1901	1,139,668,627	599,426,674	"	540,241,953	"	25,946,381	"	21,034,424
1902	1,080,987,514	678,694,539	"	402,292,975	"	1,208,163	"	16,524,903
1903	1,114,162,027	777,002,217	"	337,159,810	"	21,012,735	"	19,011,434
1904	1,167,835,075	745,710,093	"	422,124,982	"	56,008,452	"	15,313,680
1905	1,145,604,050	839,478,033	"	306,125,117	Exp.	40,515,088	"	17,533,200

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of April, and the highest and lowest during the year 1905, by dates, and also, for comparison, the range of prices in 1904:

	Year 1904.		Highest and Lowest in 1905.		April, 1905.		
	High.	Low.	Highest.	Lowest.	High.	Low.	Closing.
Atchison, Topeka & Santa Fe.	89¼	64	93⅜—Mar. 9	82—Apr. 29	91¼	82	83¾
" preferred	104⅛	87⅝	104¼—Mar. 9	99—Jan. 25	103⅞	101⅝	101⅝
Baltimore & Ohio	105¼	72⅞	111⅛—Mar. 13	100⅛—Jan. 25	111¼	104	104½
Baltimore & Ohio, pref.	96½	87⅝	98—Feb. 8	95¾—Jan. 12	97½	95¾	96½
Brooklyn Rapid Transit	70½	38	71⅜—Apr. 14	58½—Jan. 25	71⅜	58½	59¾
Canadian Pacific	135¾	109½	155¾—Apr. 7	130¾—Jan. 25	155¾	145	145½
Canada Southern	72	64	72⅞—Jan. 31	67⅛—Jan. 11	71⅜	69½	69½
Central of New Jersey	194¾	154½	215½—Feb. 3	190¼—Jan. 3	204½	194½	195¾
Ches. & Ohio	51	28¼	60⅛—Mar. 21	46⅝—Jan. 25	59⅛	49¾	49¾
Chicago & Alton	47¼	33	44½—Mar. 15	32½—Apr. 29	42½	32½	32½
" preferred	85¼	75	83¾—Apr. 7	80—Jan. 25	83¾	80	80
Chicago, Great Western	26¼	12⅞	25⅛—Mar. 16	19⅝—Apr. 29	24⅞	19⅝	20
Chic., Milwaukee & St. Paul	177⅝	137⅛	187½—Apr. 17	170¼—Apr. 29	187½	170¼	171
" preferred	185⅞	173	192½—Apr. 17	182½—Jan. 13	192½	185	185
Chicago & Northwestern	214½	161⅛	249—Jan. 31	205⅛—Jan. 6	245	225	225
" preferred	237	207	265½—Feb. 1	234—Jan. 13	262	250	250
Chicago Terminal Transfer	16¼	5¼	19½—Feb. 17	7¾—Jan. 5	19⅝	17	17
" preferred	27¾	11½	36½—Mar. 22	17½—Jan. 4	36	30	30
Clev., Cin., Chic. & St. Louis	93⅜	68½	111—Mar. 21	90—Jan. 14	108¾	91	96
Col. Fuel & Iron Co.	58⅝	25½	59—Mar. 24	42½—Apr. 29	57¾	42½	42½
Colorado Southern	24⅜	13½	30⅛—Apr. 26	22¼—Jan. 20	30⅛	25	25
" 1st preferred	63	48	64½—Feb. 10	59—Apr. 27	62½	59	59
" 2d preferred	37½	17⅞	39½—Feb. 3	34—Mar. 23	39¼	35	37¾
Consolidated Gas Co.	220	185	214—Mar. 13	194½—Jan. 9	207	198½	201½
Delaware & Hud. Canal Co.	190½	149	196⅜—Apr. 11	180¼—Jan. 25	196⅜	183	184
Delaware, Lack. & Western	359¾	250½	400—Mar. 14	335—Jan. 25	394	372¾	372¾
Denver & Rio Grande	35⅞	18	36½—Mar. 14	30⅜—Jan. 27	35½	31	31
" preferred	89	64½	91—Mar. 15	85—Jan. 23	90¾	85	85
Detroit Southern	14¾	1½	9⅞—Jan. 24	4⅞—Apr. 25	6	4⅞	4⅞
" preferred	33½	2¾	36½—Feb. 1	31⅜—Mar. 4	34	33	34
Duluth So. S. & Atl., pref.	28½	9¼	37—Jan. 21	25—Jan. 3	33⅛	25	25
Erie	41⅝	21½	48¾—Mar. 11	37⅝—Jan. 3	47⅜	41	41
" 1st pref.	77	55⅝	83½—Mar. 11	75¼—Jan. 3	82½	76	76
" 2d pref.	58½	33	71½—Mar. 3	55½—Jan. 3	71¼	61½	63½
Evansville & Terre Haute	83	54	72½—Jan. 16	65—Apr. 7	66	65	66
Express Adams	250	220	250—Feb. 7	236—Jan. 9	250	240	246
" American	219	180	246—Feb. 27	209½—Jan. 4	238	230	230
" United States	126	100	134—Feb. 8	120—Jan. 9	129	124	124
" Wells, Fargo	250	200	260—Feb. 21	235—Jan. 3	250	245	250
Hocking Valley	94	60	99—Mar. 11	86⅝—Jan. 18	93	92	92
" preferred	95	77	96⅞—Mar. 13	90—Jan. 18	95	92½	92½
Illinois Central	159	125¾	170—Apr. 15	152¾—Jan. 25	170	157	157
Iowa Central	38	14	32—Feb. 3	26—Apr. 29	30½	26	26
" preferred	59¾	32	58⅝—Feb. 3	53—Apr. 25	57¼	53	53
Kansas City Southern	31⅞	16½	34—Feb. 14	26½—Apr. 29	32	26½	26½
" preferred	56¾	31	70—Feb. 14	52—Jan. 3	66	59	59
Kans. City Ft. S. & Mem. pref.	83¼	64⅛	84½—Mar. 16	81¾—Jan. 25	84	82¾	82¾
Louisville & Nashville	148¾	101	156¼—Apr. 26	134½—Jan. 25	156¼	141	141⅝
Manhattan consol	169½	139¾	175—Feb. 9	161½—Apr. 29	167⅜	161½	161½
Metropolitan securities	96½	72¼	91—Mar. 17	73—Jan. 9	88⅝	75¼	75½
Metropolitan Street	130⅝	104¾	125¼—Mar. 17	114⅛—Jan. 9	123⅞	115	115
Mexican Central	23⅝	5	26—Mar. 13	20—Apr. 28	25⅜	20	20½
Minneapolis & St. Louis	67¾	40	64¾ Apr. 7	56½—Jan. 13	64¾	63	63½
" preferred	96½	80	91—Feb. 24	86—Jan. 19	90	90	90
Minn., S. P. & S.S. Marie	95	55	122—Mar. 29	89½—Jan. 11	120¾	110	110
" preferred	150	116	169¼—Mar. 29	148—Jan. 13	165¾	157	157
Missouri, Kan. & Tex.	36⅝	14⅝	33¼—Jan. 18	26¼—Apr. 29	32⅞	26¼	26⅝
" preferred	65¼	32¼	69—Mar. 13	58—Apr. 29	68½	58	58
Missouri Pacific	111½	87	110⅞—Mar. 13	96—Apr. 29	108⅝	96	96¾
Natl. of Mexico, pref.	45½	34¾	45—Jan. 16	34¼—Apr. 29	40½	34½	34½
" 2d preferred	25½	15⅞	24½—Jan. 10	20¼—Apr. 24	21	20¼	20¼
N. Y. Cent. & Hudson River	145½	112⅞	167¾—Mar. 14	141—Apr. 29	163½	141	143
N. Y., Chicago & St. Louis	47	25	55¼—Apr. 8	42—Jan. 20	55¼	47	48
" 2d preferred	78	60	85—Apr. 7	75—Jan. 13	85	77½	78

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1904.		Highest and Lowest in 1905.		April, 1905.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western.....	47⅞	19⅜	64 —Mar. 30	40⅜—Jan. 5	63⅝	49	49¾
Norfolk & Western...........	80¾	53½	88⅛—Mar. 11	76⅜—Apr. 29	87	76⅜	77
" preferred............	95	88	94⅛—Feb. 3	91⅛—Feb. 24	91⅛	91⅛	91⅛
North American Co...........	107	80	107 —Apr. 17	98 —Jan. 20	107	100	100
Pacific Mail....................	55	24	49¼—Jan. 4	38 —Apr. 29	46⅛	38	38
Pennsylvania R. R............	140	111½	147¾ Mar. 13	135 —Jan. 25	144¼	137⅛	137⅜
People's Gas & Coke of Chic.	112⅛	92¾	115½—Apr. 3	102⅝—Apr. 29	115⅛	102⅝	102¾
Pullman Palace Car Co.......	244	209	254 —Feb. 28	237 —Jan. 3	248½	238¼	236¼
Reading........................	82⅝	38¾	99¾—Mar. 9	79 —Jan. 13	99	88¾	89½
" 1st prefered..........	92	76	94 —Feb. 2	91 —Mar. 24	93	91	91
" 2d preferred..........	85	55¼	92 —Feb. 3	84 —Jan. 5	91⅛	90	90¾
Rock Island....................	37¾	19⅛	37⅞—Jan. 18	27¼—Apr. 29	36⅛	27¼	28
" preferred............	86⅝	57¾	85 —Jan. 4	74 —Apr. 29	82	74	74
St. L. & San Fran. 2d pref....	72⅛	39¼	73⅛—Mar. 6	65 —Apr. 29	71¼	65	65
St. Louis & Southwestern....	29	9⅛	27⅛—Jan. 20	22 —Apr. 28	27¼	22	22
" preferred............	60¾	25⅜	66⅝—Apr. 18	56¼—Apr. 29	66⅝	56¼	56¼
Southern Pacific Co...........	68¾	41⅛	72¾—Feb. 27	58½—Apr. 29	69⅛	58½	58⅞
Southern Railway............	37⅛	18¼	36¾—Mar. 13	29⅝—Apr. 29	35⅛	29⅝	30
" preferred............	97⅛	77⅛	100 —Mar. 22	95⅛—Apr. 28	99	95⅛	95⅞
Tennessee Coal & Iron Co....	77⅛	31⅝	106½—Apr. 4	68 —Jan. 25	106⅛	80¾	81⅞
Texas & Pacific...............	38⅛	20	41 —Mar. 13	29¾—Apr. 29	39⅛	29¾	30⅛
Toledo, St. Louis & Western..	38	21⅛	43¾—Apr. 6	35 —Apr. 29	43¾	35	35
" preferred............	57¼	32	65 —Apr. 12	51¾—Jan. 25	65	54¼	54¼
Union Pacific.................	117	71	137⅞—Feb. 25	118 —Jan. 6	137	118	118⅛
" preferred............	98	86½	101⅝—Feb. 21	97 —Jan. 9	100	98	98
Wabash R. R..................	25	15	23⅝—Feb. 3	19 —Apr. 29	23⅝	19	19
" preferred............	48⅛	32¾	48 —Feb. 23	41 —Jan. 25	47¼	41¼	41¼
Western Union................	94½	85	95¼—Jan. 4	92 —Jan. 17	94¼	92⅝	93
Wheeling & Lake Erie........	22⅜	14⅛	19¾—Mar. 13	16 —Apr. 29	19¼	16	16
" second preferred....	32	21⅛	28½—Mar. 13	24 —Apr. 28	27	24	24
Wisconsin Central............	25	16	25¼—Feb. 16	20 —Apr. 29	24⅝	20	20⅝
" preferred............	49⅝	37	54¼—Feb. 17	45 —Jan. 13	54	46½	46½
"INDUSTRIAL"							
Amalgamated Copper........	82¾	43⅛	89¾—Apr. 14	70 —Jan. 25	89¾	78⅛	78⅝
American Car & Foundry....	35½	14¾	43⅝—Apr. 14	31¼—Jan. 24	43⅝	33½	34
" pref.................	94¾	67	104½—Apr. 6	91¼—Jan. 25	104½	96¼	96¼
American Co. Oil Co..........	37⅞	24¼	38 —Apr. 3	32 —Apr. 29	38	32	32
American Ice.................	9¾	6	7¼—Feb. 1	4⅞—Apr. 29	6	4⅞	4⅞
American Locomotive........	36⅝	16⅛	61¼—Apr. 13	33 —Jan. 25	61¼	47	47⅛
" preferred............	105	75½	122¾—Apr. 15	103¾—Jan. 5	122¾	113⅛	114
Am. Smelting & Refining Co.	82½	46	123⅞—Apr. 13	79¾—Jan. 9	123⅞	103	112⅞
" preferred............	115	89¾	127 —Apr. 6	111¼—Jan. 13	127	121⅛	122
Am. Steel & Foundries........	15¼	3½	18⅝—Mar. 20	12¾—Jan. 6	17⅝	13	13
" pref.................	57¼	26	67⅛—Apr. 4	52¾—Jan. 6	67⅛	54	55
American Sugar Ref. Co......	153	122¼	149¾—Mar. 2	136 —Apr. 29	145⅝	136	136
Anaconda Copper Mining....	120⅞	61	130 —Apr. 13	103¼—Jan. 25	130	106⅛	110
Continental Tobacco Co. pref.	131	101⅛	133¼—Feb. 1	131 —Jan. 21	....	....	....
Corn Products................	26¼	9¾	22¾—Feb. 7	11⅛—Apr. 24	14	11⅛	12⅛
" preferred............	82¼	65	79 —Jan. 10	59 —Apr. 12	65	59	62½
Distillers securities...........	40½	19⅛	47⅛—Apr. 6	34⅞—Jan. 25	47⅛	40½	40⅛
General Electric Co...........	194½	151	192 —Mar. 16	171 —Apr. 29	191	171	171
International Paper Co......	25⅝	10¼	25⅛—Mar. 11	20 —Feb. 1	24⅞	20¾	21
" preferred............	79⅞	64⅛	82¼—Apr. 6	76 —Feb. 6	82¼	78	79¼
National Biscuit..............	59⅛	36	66⅝—Apr. 3	54⅛—Jan. 25	66⅝	59⅞	59⅞
National Lead Co.............	26¼	14⅛	51¾—Apr. 7	24⅛—Jan. 5	51¾	42½	43½
Pressed Steel Car Co..........	44⅛	24¼	46¾—Apr. 14	35 —Jan. 25	46¾	36	36⅛
" preferred............	92	67	99½—Apr. 14	87 —Feb. 16	99⅛	93⅛	93½
Republic Iron & Steel Co.....	18¼	6	24⅞—Apr. 3	15 —Jan. 23	24⅞	17⅛	17⅛
" preferred............	73½	37	87½—Feb. 23	67 —Jan. 23	84⅞	71⅝	72¼
Rubber Goods Mfg. Co........	29⅞	14¾	35¾—Apr. 1	24¼—Mar. 7	35¾	29½	31¼
" preferred............	98	74¾	109⅛—Apr. 1	94 —Jan. 25	109⅛	104	107¾
U. S. Leather Co..............	20¾	6⅛	14⅝—Jan. 16	11 —Apr. 14	13	11	11⅛
" preferred............	106⅛	75⅝	109½—Mar. 30	100¾—Jan. 31	109⅛	107⅝	108⅛
U. S. Rubber Co..............	34½	10⅛	45⅛—Apr. 7	33¾—Jan. 3	45½	36⅛	36⅛
" preferred............	100	41	118½—Apr. 7	98⅝—Jan. 6	118⅛	102	104
U. S. Steel......................	33⅛	8⅜	38¼—Apr. 7	28¼—Jan. 25	38¼	31⅜	31⅜
" pref......................	95⅝	51¼	104⅞—Apr. 18	91⅛—Jan. 7	104⅞	95¾	98

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	April Sales. High.	April Sales. Low.	April Sales. Total.
Ann Arbor 1st g 4's	1995	7,000,000	Q J	99⅝	Apr. 26,'05	99⅞	99⅛	151,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	148,155,000	A & O	102⅝	Apr. 29,'05	103	102⅜	627,000
" registered			A & O	101½	Apr. 10,'05	101½	100¼	3,000
" adjustment, g. 4's	1995	25,616,000	NOV	96⅝	Apr. 27,'05	97	96½	186,500
" registered			NOV	94⅛	Feb. 9,'05			
" stamped	1995	26,112,000	M & N	96¾	Apr. 26,'05	97	96	80,000
" serial debenture 4's—								
" series C	1905	2,500,000	F & A					
" registered			F & A					
" series D	1906	2,500,000	F & A	99	Aug. 15,'04			
" registered			F & A					
" series E	1907	2,500,000	F & A	99¾	Oct. 18,'04			
" registered			F & A					
" series F	1908	2,500,000	F & A	99½	Nov. 3,'04			
" registered			F & A					
" series G	1909	2,500,000	F & A	99¼	Dec. 19,'04			
" registered			F & A					
" series H	1910	2,500,000	F & A	99½	Jan. 10,'05			
" registered			F & A					
" series I	1911	2,500,000	F & A	98½	Nov. 23,'04			
" registered			F & A					
" series J	1912	2,500,000	F & A					
" registered			F & A					
" series K	1913	2,500,000	F & A	97	Oct. 26,'04			
" registered			F & A					
" series L	1914	2,500,000	F & A	92⅞	Nov. 10,'02			
" registered			F & A					
" East. Okla. div. 1st g. 4's	1928	6,128,000	M & S	99¼	Jan. 23,'05			
" " registered			M & S					
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S					
Atlan. Coast Line R.R. Co. 1st g. 4's	1952	42,139,000	M & S	102⅛	Apr. 29,'05	102½	100¾	296,000
" registered			M & S	92	Feb. 15,'04			
Charleston & Savannah 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'99			
Savanh Florida & W'n 1st g. 6's	1934	4,056,000	A & O	125⅛	Nov. 30,'03			
" 1st g. 5's	1934	2,444,000	A & O	112⅝	Jan. 26,'04			
Alabama Midland 1st gtd g. 5's	1928	2,800,000	M & N	114¼	Oct. 18,'04			
Brunswick & W'n 1st gtd. g. 4's	1938	3,000,000	J & J	93	July 14,'04			
Sil. Sps Oc. & G. RR. & ldg. gtd g. 4s	1918	1,067,000	J & J	97¾	Oct. 5,'04			
Balt. & Ohio prior lien g. 3½s	1925	72,798,000	J & J	95¼	Apr. 28,'05	95¾	95	172,000
" registered			J & J	96	Nov. 7,'04			
" g. 4s	1948	70,963,000	A & O	103¼	Apr. 29,'05	103¼	102⅞	367,000
" g. 4s. registered			A & O	103	Mar. 16,'05			
" ten year c. deb. g. 4's	1911	582,000	M & S	110½	Apr. 13,'05	110½	110	14,000
Pitt Jun. & M. div. 1st g. 3½s.	1925	11,293,000	M & N	93½	Apr. 26,'05	93½	93½	11,000
" registered			Q Feb					
Pitt L. E. & West Va. System refunding g 4s	1941	29,347,000	M & N	101	Apr. 29,'05	101	100⅝	147,000
" Southw'n div. 1st g. 3½s.	1925	43,590,000	J & J	92½	Apr. 27,'05	93	92¼	164,500
" registered			Q J	90¼	July 16,'01			
Monongahela River 1st g. g., 5's	1919	700,000	F & A	105⅛	Mar. 11,'04			
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	1,009,000	M & S	109	Apr. 25,'05	109	109	1,000
Ptsbg Clev. & Toledo, 1st g. 6's	1922	515,000	A & O	119½	Mar. 7,'04			
Pittsburg & Western, 1st g. 4's	1917	688,000	J & J	98	Apr. 12,'05	98	98	1,000
" J. P. Morgan & Co. cer.		1,921,000		100	Sept. 22,'04			
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,427,000	M & S	119½	Feb. 8,'05			
Alleghany & Wn. 1st g. gtd 4's	1998	2,000,000	A & O					
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	128	June 6,'02			
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	124½	Apr. 28,'05	124½	124½	5,000
" cons. 1st 6's,	1922	3,920,000	J & D	126	Mar. 25,'05			
Buff. & Susq. 1st refundg g. 4's	1951	4,305,000	J & J	100¼	Apr. 18,'05	100¼	99	25,000
registered			J & J					

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	April Sales. High.	April Sales. Low.	April Sales. Total.
Canada Southern 1st int. gtd 5's,	1908	14,000,000	J & J	108⅞	Apr. 29,'05	108⅞	108⅛	89,000
" 2d mortg. 5's,	1913	6,000,000	M & S	106	Apr. 11,'05	106⅛	106	24,000
" registered			M & S	106	Apr. 19,'04	106	105¾	10,000
Central Branch U. Pac. 1st g. 4's.	1948	2,500,000	J & D	94	Jan. 4,'05	....	....	....
Central R'y of Georgia, 1st g. 5's.	1945	7,000,000	F & A	121⅛	Apr. 13,'05	121⅛	120	4,000
" registered $1,000 & $5,000			F & A	....	....	....	....	....
" con. g. 5's	1945	16,700,600	M & N	116¼	Apr. 27,'05	116¼	115¼	56,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	107	June 14,'04	....	....	....
" 1st. pref. inc. g. 5's,	1945	4,000,000	OCT 1	91⅛	Apr. 29,'05	94	91⅛	162,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	75	Apr. 29,'05	78¼	74⅛	951,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	61⅛	Apr. 27,'05	62⅛	59	424,000
" Chat. div. pur. my. g. 4's.	1951	2,057,000	J & D	94½	Apr. 4,'05	94½	94⅛	1,000
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
" Mid. Ga. & Atl. div. g 5s.	1947	418,000	J & J	102	June 29,'99	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	107¼	Aug. 2,'04	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1937	4,880,000	M & N	112	Apr. 8,'05	112	112	1,000
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	135¼	Apr. 29,'05	136⅜	135¼	48,000
" registered			Q J	134¼	Apr. 26,'05	134¼	134	12,000
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	115	Apr. 25,'05	115	115	8,000
Lehigh & H. R. gen. gtd g. 5's.	1920	1,062,000	J & J	....	....	....	....	....
Lehigh & W.-B. Coal con. 5's.	1912	2,691,000	Q M	104⅛	Mar. 17,'05	....	....	....
" con. extended gtd. 4½'s.	1910	12,175,000	Q M	102	Apr. 20,'05	102¼	102	33,000
N.Y. & Long Branch gen. g. 4's.	1941	1,500,000	M & S	....	....	....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	108⅛	Mar. 1,'05	....	....	....
" Mortgage gold 6's	1911	2,000,000	A & O	111	Feb. 21,'05	....	....	....
" 1st con. g. 5's	1939	25,858,000	M & N	120¼	Apr. 29,'05	122	119⅝	164,000
" registered			M & N	117½	Oct. 11,'04	...	....	....
" Gen. m. g. 4½'s	1992	38,573,000	M & S	107¾	Apr. 29,'05	108	106¼	346,000
" registered			M & S	95	Dec. 22,'03	....	....	....
" Craig Val. 1st g. 5's	1940	650,000	J & J	118	Mar. 8,'05	....	....	....
" (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	103	Apr. 29,'05	103	102½	12,000
" 2d con. g. 4's	1989	1,000,000	J & J	98	Apr. 7,'05	98	98	1,000
" Warm S. Val. 1st g. 5's,	1941	400,000	M & S	113¼	Feb. 17,'05	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	95½	Sept. 20,'04	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	31,988,000	A & O	84⅛	Apr. 28,'05	85	84½	118,000
" " registered			A & O	....	....	....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.	1950	22,000,000	J & J	81½	Apr. 29,'05	82¼	81½	131,000
" registered			J & J	83	Oct. 26,'02	....	....	....
Chicago, Burl. & Quincy:								
" Denver div. 4's	1922	4,783,000	F & A	101¾	Mar. 16,'05	....	....	....
" Illinois div. 3½s	1949	50,835,000	J & J	98	Apr. 28,'05	98	97	66,000
" registered			J & J	96⅛	Feb. 24,'05	....	....	....
" Illinois div. 4s	1949	10,306,000	J & J	105¾	Aug. 8,'04	....	....	....
" registered		....	J & J	....	....	....	....	....
" (Iowa div.) sink. f'd 5's,	1919	2,388,000	A & O	110¼	Jan. 5,'05	....	....	....
" 4's	1919	7,882,000	A & O	103	Apr. 29,'05	103	103	2,000
" Nebraska extensi'n 4's,	1927	25,344,000	M & N	108¼	Apr. 13,'05	108¼	108¼	3,000
" registered			M & N	106½	Feb. 15,'05	....	....	....
" Southwestern div. 4's.	1921	2,500,000	M & S	100	Apr. 10,'04	100	100	1,000
" 4's joint bonds	1921	215,223,000	J & J	99⅝	Apr. 29,'05	100	99⅛	1,857,000
" " registered			Q JAN	98¼	Apr. 29,'05	98⅛	98¼	57,000
" 5's, debentures	1913	9,000,000	M & N	108	Apr. 17,'05	108½	108	5,000
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	111¾	Mar. 17,'05	....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	106⅛	Mar. 9,'05	....	....	....
" small bonds			J & D	108⅛	July 8,'04	....	....	....
" 1st con. 6's, gold	1934	2,653,000	A & O	135	Apr. 12,'05	135	135	1,000
" gen. con. 1st 5's	1937	16,529,000	M & N	121	Apr. 26,'05	122	121	5,000
" registered			M & N	119⅛	Mar. 2,'05	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	121¼	Apr. 20,'05	121¼	121¼	5,000
Chicago, Indianapolis & Louisville.								
" refunding g. 6's	1947	4,700,000	J & J	135	Apr. 28,'05	135	135	1,000
" ref. g. 5's	1947	4,742,000	J & J	115⅛	Feb. 23,'05	....	....	....
Louisv. N. Alb. & Chic. 1st 6's.	1910	3,060,000	J & J	110½	Apr. 27,'05	110½	110	16,000
Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's,	1905	732,000	J & J	187	Mar. 14,'05	....	....	....
" terminal g 5's	1914	4,748,000	J & J	111⅛	Apr. 29,'05	111⅛	111	4,000
" gen. g. 4's, series A	1989	23,676,000	J & J	112⅛	Apr. 27,'05	113½	112⅛	29,000
" registered		....	Q J	109⅛	June 18,'04	....	....	....

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Name. Principal Due.	Amount.	Int'st paid.	Last Sale. Price.	Last Sale. Date.	April Sales. High.	April Sales. Low.	April Sales. Total.
" gen. g. 3½'s, series B. 1989	2,500,000	J & J	98⅞	Jan. 9,'05	....	....	....
" registered........		J & J	....		....	....	....
" Chic. & Lake Sup. 5's, 1921	1,360,000	J & J	116¾	Apr. 6,'05	116¾	116¾	10,000
" Chic. & M. R. div. 5's, 1926	3,083,000	J & J	120	Apr. 29,'05	120	120	1,000
" Chic. & Pac. div. 6's, 1910	3,000,000	J & J	111⅝	Mar. 30,'05	....	....	....
" 1st Chic. & P. W. g. 5's. 1921	25,340,000	J & J	117⅛	Apr. 4,'05	117⅛	117⅛	5,0(0
" Dakota & Gt. S. g. 5's. 1916	2,856,000	J & J	112	Mar. 7,'05	....	....	....
" Far. & So. g. 6's assu... 1924	1,250,000	J & J	137½	July 18,'98	....	....	....
" 1st H'st & Dk. div. 7's, 1910	5,680,000	J & J	115¼	Apr. 27,'05	115¼	115¼	1,000
" 1st 5's........ 1910	990,000	J & J	108	Aug. 3,'04	....	....	....
" 1st 7's, Iowa & D, ex. 1908	843,000	J & J	185	Apr. 26,'05	185	185	2,000
" 1st 5's, La. C. & Dav... 1919	2,500,000	J & J	115	Apr. 25,'05	115	115	10,000
" Mineral Point div. 5's, 1910	2,840,000	J & J	106⅝	Apr. 3,'05	106⅝	106⅝	1,000
" 1st So. Min. div. 6's.... 1910	7,432,000	J & J	111	Mar. 27,'05	....	....	....
" 1st 6's, Southw'n div., 1909	4,000,000	J & J	109⅞	Apr. 12,'05	109⅞	109⅞	9,000
" Wis. & Min. div. g. 5's. 1921	4,755,000	J & J	116¼	Apr. 29,'05	116¼	116¼	1,000
" Mil. & N. 1st M. L. 6's. 1910	2,155,000	J & D	112⅛	Apr. 17,'04	112⅛	112⅛	1,000
" 1st con. 6's........ 1913	5,092,000	J & D	116⅛	Jan. 5,'05	....	....	....
Chic. & Northwestern con. 7's... 1915	12,832,000	Q F	128¼	Apr. 25,'05	128¼	128¼	21,000
" extension 4's..... 1886-1926	18,632,000	F A 15	104½	Dec. 27,'04	....	....	....
" registered........		F A 15	102⅝	May 11,'04	....	....	....
" gen. g. 3½'s........ 1987	20,538,000	M & N	101	Apr. 8,'05	101	100¼	19,000
" registered........		Q F	103	Nov. 19,'98	....	....	....
" sinking fund 6's.. 1879-1929	5,686,000	A & O	118	Apr. 11,'05	118	118	1,000
" registered........		A & O	117	Feb. 15,'05	....	....	....
" sinking fund 5s'.. 1879-1929	6,769,000	A & O	110¼	Apr. 3,'05	110¼	110¼	1,000
" registered........		A & O	107	Mar. 28,'04	....	....	....
" deben. 5's........ 1909	5,900,000	M & N	106	Mar. 13,'05	....	....	....
" registered........		M & N	104	Mar. 3,'04	....	....	....
" deben. 5's........ 1921	10,000,000	A & O	113¼	Feb. 27,'05	....	....	....
" registered........		A & O	108⅝	Jan. 12,'04	....	....	....
" sinking f'd deben. 5's. 1933	9,800,000	M & N	119¼	Apr. 24,'05	119¼	119¼	1,000
" registered........		M & N	115¼	Apr. 28,'05	115¼	115¼	2,000
Des Moines & Minn. 1st 7's..... 1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's... 1905	1,600,000	M & S	104½	Mar. 16,'02	....	....	....
Northern Illinois 1st 5's........ 1910	1,500,000	M & S	105¼	May 23,'04	....	....	....
Ottumwa C. F. & St. P. 1st 5's.. 1909	1,600,000	M & S	104½	Mar. 16,'05	....	....	....
Winona & St. Peters 2d 7's..... 1907	1,592,000	M & N	110¼	Mar. 28,'05	....	....	....
Mil., L. Shore & We'n 1st g. 6's. 1921	5,000,000	M & N	130	Mar. 18,'05	....	....	....
" ext. & impt. s. f'd g. 5's 1929	4,148,000	F & A	119¼	Nov. 15,'04	....	....	....
" Ashland div. 1st g. 6's 1925	1,000,000	M & S	142¼	Feb. 10,'02	....	....	....
" Michigan div. 1st g. 6's. 1924	1,281,000	J & J	131¼	Jan. 5,'05	....	....	....
" con. deb. 5's........ 1907	436,000	F & A	103	Apr. 8,'04	....	....	....
" incomes........ 1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup... 1917	12,500,000	J & J	123⅞	Apr. 27,'05	124	123⅞	2,000
" registered........ 1917		J & J	124	Nov. 16,'04	....	....	....
" gen. g. 4's........ 1988	61,581,000	J & J	106¼	Apr. 25,'05	106¾	106¼	61,000
" registered........		J & J	107	Jan. 16,'03	....	....	....
" refunding 4s........ 1934	25,558,000	A & O	95¼	Apr. 29,'05	96⅛	95¼	923,000
" registered........		A & O	....		....	....	....
" coll. tr. ser. 4's ser. C. 1905	1,494,000	M & N	101¼	Sept. 29,'02	....	....	....
" D........ 1906	1,494,000	M & N	....		....	....	....
" E........ 1907	1,494,000	M & N	....		....	....	....
" F........ 1908	1,494,000	M & N	....		....	....	....
" G........ 1909	1,494,000	M & N	....		....	....	....
" H........ 1910	1,494,000	M & N	97	July 14,'04	....	....	....
" I........ 1911	1,494,000	M & N	....		....	....	....
" J........ 1912	1,494,000	M & N	....		....	....	....
" K........ 1913	1,494,000	M & N	....		....	....	....
" L........ 1914	1,494,000	M & N	....		....	....	....
" M........ 1915	1,494,000	M & N	96	May 16,'04	....	....	....
" N........ 1916	1,494,000	M & N	93	May 24,'04	....	....	....
" O........ 1917	1,494,000	M & N	94	Dec. 5,'04	....	....	....
" P........ 1918	1,494,000	M & N	90	May 11,'04	....	....	....
Chic. Rock Is. & Pac. R. R. 4's.. 2002	69,557,000	M & N	82⅝	Apr. 29,'05	85	82	5,459,000
" registered........		M & N	76¼	Sept. 14,'04	....	....	....
" coll. trust g. 5's....... 1913	17,309,000	M & S	92⅝	Apr. 29,'05	95¼	92¼	500,000
Burlington, Cedar R. & N. 1st 5's. 1906	6,500,000	J & D	102¼	Apr. 17,'05	102¼	102¼	9,500
" con. 1st & col. tst 5's. 1934	11,000,000	A & O	118⅛	Apr. 24,'05	118⅞	118⅛	4,000
" registered........		A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's. 1921	1,905,000	A & O	112¼	Sept. 26,'04	....	....	....
Minneap's & St. Louis 1st 7's, g, 1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s.... 1919	5,500,000	J & J	110¼	Apr. 17,'05	110¼	110¼	20,000
" con. g. 5's........ 1952	5,411,000	J & J	115	Apr. 20,'05	115	115	3,000
Keokuk & Des M. 1st mor. 5's.. 1923	2,750,000	A & O	109¼	Apr. 13,'05	109¼	109	18,000
" small bond........ 1923	....	A & O	102½	Apr. 26,'04	....	....	....

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Chic., St.P., Minn.& Oma.con.6's	1930	14,725,000	J & D	137⅛	Apr. 17,'05	137⅛	137	6,000
" con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,834,000	M & N	135⅞	Apr. 24,'05	135⅞	135	3,000
North Wisconsin 1st mort. 6's	1930	654,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	123⅛	Apr. 28,'05	123⅛	123⅛	17,000
Chic., Term. Trans. R. R. g. 4's	1947	15,135,000	J & J	97	Apr. 25,'05	97	97	11,000
" coupons off				95	Apr. 20,'05	95	94¾	50,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,318,000	Q M	115	Feb. 27,'05	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104⅛	Dec. 5,'03	....	....	....
" 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	..	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	117⅛	Apr. 18,'05	118	117⅛	2,000
Cin. Find. & Ft.W. 1st gtd g. 4's	1923	1,150,000	M & N	....	....	....	....	....
Cin.Ind.&Wn.1st&ref.gtd g.4's	1953	4,672,000	J & J	99⅛	Apr. 14,'05	99⅛	98¾	26,000
Clev., Cin., Chic.& St.L. gen.g. 4's	1993	19,749,000	J & D	103⅛	Apr. 26,'05	103⅛	102	62,000
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	100¾	Feb. 16,'05	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	100⅝	Mar. 21,'05	....	....	....
St. Louis div. 1st col. trust g.4's	1990	9,750,000	M & N	102⅞	Apr. 27,'05	103	102¾	37,000
" registered				100	Oct. 3,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	99¾	Feb. 8,'05	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94⅛	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g.4's	1936	7,599,000	Q F	101¾	Apr. 18,'05	101⅛	101⅛	2,000
" registered				95	Nov. 15,'94	....	....	....
" con. 6's	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g.5's	1928	2,571,000	J & J	114¼	Apr. 7,'05	114¼	114¼	1,000
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	123	Dec. 6,'04	....	....	....
" sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	134	Feb. 11,'05	....	....	....
" registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104⅛	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	99	Apr. 27,'05	99⅛	98	54,000
" income 4's	1990	4,000,000	A	72	Apr. 29,'05	80⅝	72	462,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	112⅛	Feb. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116⅛	Jan. 23,'05	....	....	....
" registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	75	Apr. 29,'05	76	75	152,000
Colorado & Southern 1st g. 4's	1929	19,103,000	F & A	93⅝	Apr. 28,'05	95½	93½	435,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	108	Mar 15,'05	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	129¾	Apr. 25,'05	129¾	129¾	1,000
" 1st c. gtd 7's	1915	11,677,000	J & D	130⅞	Apr. 11,'05	130⅞	130⅞	7,000
" registered			J & D	130	Jan. 17,'05	....	....	....
" 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	129⅝	Mar. 28,'05	....	....	....
" const. 5's	1923	5,000,000	F & A	114¼	July 6,'04	....	....	....
" terml. imp. 4's	1923	5,000,000	M & N	103⅝	Mar. 22,'05	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	107	Mar. 13,'05	....	....	....
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	133¾	Mar. 30,'04	....	....	....
" reg.	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	102¾	Apr. 19,'05	102¾	102¾	1,000
" 6's	1906	7,000,000	A & O	106⅛	Mar. 30,'05	....	....	....
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	142⅛	Mar. 10,'05	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	100¾	Apr. 18,'05	101¼	100¾	41,500
" con. g. 4½'s	1936	6,382,000	J & J	108	Apr. 25,'05	108	108	2,000
" impt. m. g. 5's	1928	8,318,500	J & D	109⅛	Apr. 4,'05	109½	109⅛	5,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	99⅝	Apr. 27,'05	100	99⅛	96,000
" mge.&col.tr.g.4's ser.A	1949	18,336,000	A & O	91¾	Apr. 14,'05	92¾	90	132,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Midl'd Ter. Ry. 1st g. s. f. 5's	1925	472,000	J & D	....	....	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	100	Sept. 13,'04	....	....	....
" g. 4s	1995	1,250,000	J & D	96⅛	Apr. 17,'05	96½	96	4,000
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	81¾	Mar. 1,'05	....	....	....
" Ohio South. div. 1st g.4's	1941	4,281,000	M & S	92	Apr. 29,'05	93¾	92	8,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	114⅝	Apr. 27,'05	114⅝	114	18,000
" registered			A & O	101⅛	July 23,'89	....	....	....
" 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	115	Apr. 28,'05	115	115	3,000
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	120	Apr. 24,'05	120	120	1,000

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE Price.	LAST SALE Date.	APRIL SALES. High.	APRIL SALES. Low.	APRIL SALES. Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	114	June 3,'03	....	....	....
" 2d extended g. 5's	1919	2,149,000	M & S	113¾	July 11,'04	....	....	....
" 3d extended g. 4½'s	1923	4,617,000	M & S	109	Apr. 15,'05	109	109	1,000
" 4th extended g. 5's	1920	2,926,000	A & O	117½	Feb. 9,'05	....	....	....
" 5th extended g. 4's	1928	709,500	J & D	103	Feb. 17,'05	....	....	....
" 1st cons. gold 7's	1920	16,890,000	M & S	135½	Mar. 9,'05	....	....	....
" 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con. g. 4s prior bds.	1996	35,000,000	J&J	102	Apr. 28,'05	102	101½	127,000
" registered			J&J	98½	Jan. 21,'04	....	....	....
" 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	93	Apr. 29,'05	93½	92⅞	223,000
" registered			J&J	88	Nov. 15,'04	....	....	....
" Penn. col. trust g. 4's.	1951	33,000,000	F & A	94½	Apr. 28,'05	95	94½	212,000
" 50 yrs. con. g. 4's ser A.	1953	10,000,000	A & O	105¼	Apr. 29,'05	108	105¼	195,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	126½	Mar. 13,'05	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	110	Mar. 8,'05	....	....	....
" small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	123½	Apr. 26,'05	123½	122½	10,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	105	Feb. 1,'05	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	136¼	Mar. 8,'05	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July 25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	113½	Nov. 25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	117	Jan. 17,'05	....	....	....
" small								
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	108½	Apr. 6,'05	108½	108½	1,000
N.Y., Sus. & W. 1st refdg. g. 5's	1937	3,745,000	J & J	116	Apr. 1,'05	116	116	5,000
" 2d g. 4½'s	1937	447,000	F & A	104	Dec. 19,'04	....	....	....
" gen. g. 5's	1940	2,546,000	F & A	110	Apr. 26,'05	110	110	7,000
" term. 1st g. 5's	1943	2,000,000	M & N	117½	Jan. 19,'05	....	....	....
" registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	109⅝	Jan. 5,'05	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	114	Apr. 19,'05	114	114	1,000
Evans. & Terre Haute 1st con. 6's.	1921	3,000,000	J & J	123½	Mar. 31,'05	....	....	....
" 1st General g 5's	1942	2,672,000	A & O	106¼	Apr. 19,'05	106¼	106¼	5,000
" Mount Vernon 1st 6's	1923	375,000	A & O	114	Apr. 19,'05	114	114	1,000
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	104	Oct. 31,'04	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	113¾	Apr. 29,'05	114½	113	244,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	90	Apr. 29,'05	91	90	31,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	105½	Mar. 18,'05	....	....	....
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,574,000	J & J	105	Mar. 28,'05	....	....	....
" registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	18,139,000	J & J	110½	Apr. 27,'05	111	110½	17,000
" registered			J & J	105½	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1848	1,401,000	A & O	100	Apr. 19,'05	100	100	1,000
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	113	Nov. 7,'04	....	....	....
" registered			J&J	113½	Mar. 12,19'	....	....	....
" 1st gold 3½'s	1951	2,499,000	J&J	103	Apr. 24,'05	103	103	6,000
" registered			J&J	94	Mar. 28,'03	....	....	....
" extend 1st g 3½'s	1951	3,000,000	A & O	99¼	Oct. 22,'03	....	....	....
" registered			A & O	....		....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
" registered			M & S	....		....	....	....
" total outstg....$13,950,000						....	....	....
" collat. trust gold 4's	1952	15,000,000	A & O	107½	Mar. 25,'05	....	....	....
" regist'd			A & O	102	Oct. 4,'03	....	....	....
" col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	105½	Apr. 17,'05	105⅝	105½	5,000
" registered			M & N	101	Apr. 7,'04	....	....	....
" Cairo Bridge g 4's	1950	3,000,000	J & D	106½	Mar. 7,'03	....	....	....
" registered			J & D	123	May 24,'99	....	....	....
" Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....		....	....	....
" Louisville div. g. 3½'s.	1953	14,320,000	J & J	94⅞	Apr. 1,'05	94⅞	94⅞	1,000
" registered			J & J	88½	Dec. 8,'99	....	....	....
" Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
" Omaha div. 1st g. 3's	1951	5,000,000	F & A	86	Jan. 12,'05	....	....	....
" St. Louis div. g. 3's	1951	4,989,000	J & J	85	Nov. 29,'04	....	....	....
" registered			J & J	101¼	Jan. 31,'19	....	....	....
" g. 3½'s	1951	6,321,000	J & J	96	Mar. 15,'05	....	....	....
" registered			J & J	101½	Sept. 10,'95	....	....	....
" Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
" registered			J & J	124	Dec. 11,'99	....	....	....
" West'n Line 1st g. 4's,	1951	5,425,000	F & A	105¾	Nov. 11,'04	....	....	....
" registered			F & A	101½	Jan. 31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	124½	Apr. 5,'01	....	....	....

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Carbond'e & Shawt'n 1st g. 4's, 1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's....1951	16,555,000	J D 15	125	Feb. 2,'05	....	....	....
" gold 5's, registered........		J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s................1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
" registered................		J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's, 1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
" registered................		J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's, 1931	538,000	M & S	101½	Mar. 16,'05	....	....	....
Ind., Dec. & West. 1st g. 5's......1935	1,824,000	J & J	106	Mar. 28,'04	....	....	....
" 1st gtd. g. 5's............1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's..1950	4,850,000	J & J	100	Mar. 24,'05	....	....	....
Internat. & Gt. N'n 1st. 6's, gold.1919	11,291,000	M & N	122½	Mar. 29,'05	....	....	....
" 2d g. 5's................1909	10,391,000	M & S	101	Apr. 28,'05	102	101	63,000
" 3d g. 4's................1921	2,960,500	M & S	76	Apr. 25,'05	77½	76	7,500
Iowa Central 1st gold 5's.........1938	7,650,000	J & D	115	Apr. 28,'05	115½	114¾	19,000
" refunding g. 4's ...1951	2,000,000	M & S	85	Apr. 11,'05	85	85	2,000
Kansas City Southern 1st g. 3's..1950	30,000,000	A & O	70	Apr. 29,'05	71¾	70	406,000
" registered....................		A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's...1937	7,250,000	J & J	118⅞	Apr. 20,'05	119½	118⅝	9,000
" 2d mtge. g. 5's...........1941	8,625,000	J & J	116¼	Apr. 6,'05	116¼	116¼	2,000
Northern Ohio 1st gtd g 5's... 1945	2,500,000	A & O	120	Feb. 20,'05	....	....	....
Lehigh Val. (Pa.) coll. g. 5's.....1997	8,000,000	M & N	109⅝	Apr. 10,'05	109⅝	109⅝	12,000
" registered....................		M & N	....	....	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s.1940	15,000,000	J&J	110⅞	Apr. 24,'05	111	110⅞	12,000
" registered....................	....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's.1941	10,000,000	A & O	117½	Apr. 4,'05	117½	117½	4,000
" registered....................		A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's.1933	10,114,000	J & J	108	Dec. 15,'04	....	....	....
" registered..............1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....1945	2,000,000	M&S	99	Jan. 3,'05	....	....	....
" registered....................		M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's 1914	750,000	A & O	106½	Nov. 3,'04	....	....	....
" " g. gtd 5's.......1914	1,250,000	A & O	100⅝	June16,'04	....	....	....
Long Island 1st cons. 5's..........1931	3,610,000	Q J	117½	Apr. 10,'05	117½	117½	3,000
" 1st con. g. 4's...........1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's.........1938	3,000,000	J & D	101	Apr. 5,'05	101	101	4,000
" Ferry 1st g. 4½'s......1922	1,494,000	M & S	105	Jan. 18,'05	....	....	....
" g. 4's..................1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
" unified g. 4's...........1949	*6,860,000	M & S	101	Apr. 26,'05	101	100¼	22,000
" deb. g. 5's........1934	1,135,000	J & D	110	June22,'04	....	....	....
" gtd. refunding g. 4's..1949	12,200,000	M & S	102	Apr. 28,'05	102	101½	51,000
" " registered........		M & S	....	....	....	....	....
Brooklyn & Montauk 1st 6's....1911	250,000	M & S	....	....	....	....	....
" 1st 5's.................1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's, ..1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's, 1927	883,000	M & S	107½	Sept.27,'04	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's, 1932	1,425,000	QJAN	109	Nov.28,'04			
Louisiana & Arkan. Ry. 1st g. 5's.1927	2,724,000	M & S	105¼	Apr. 14,'05	105¼	104½	19,000
Louis. & Nash. gen. g. 6's.......1930	8,239,000	J & D	122	Apr. 24,'05	122	120⅞	54,000
" gold 5's................1937	1,764,000	M & N	119⅝	Feb. 9,'05	....	....	....
" Unified gold 4's........1940	31,722,000	J & J	103¼	Apr. 28,'05	103½	102¾	82,000
" registered 1940		J & J	101⅞	June18,'94	....	....	....
" collateral trust g. 5's, 1931	5,129,000	M & N	114	Apr. 1,'05	114	114	2,000
" 5-20yr.col.tr.deed g. 4's. 1923	23,000,000	A & O	97⅞	Apr. 28,'05	98¼	97½	109,000
" E., Hend. & N. 1st 6's..1919	1,675,000	J & D	114⅛	Jan. 24,'05	....	....	....
" L. Cin. & Lex. g. 4½'s...1931	3,258,000	M & N	109	Mar. 6,'05	....	....	....
" N.O. & Mobile 1st g. 6's..1930	5,000,000	J & J	131¾	Apr. 28,'05	131¾	131⅝	2,000
" 2d g. 6's................1930	1,000,000	J & J	126½	Feb. 17,'05	....	....	....
" Pensacola div. g. 6's...1920	580,000	M & S	114	Apr. 26,'02	114	114	1,000
" St. Louis div. 1st g. 6's.1921	3,500,000	M & S	121¼	Mar. 6,'05	....	....	....
" 2d g. 3's................1980	3,000,000	M & S	115¼	Mar. 7,'05	....	....	....
" At. Kx. & N. R. 1st g. 5's. 1946	1,000,000	J & D	112½	Nov.16,'04	....	....	....
" H. B'ge 1st sk'fd. g6's. 1931	1,453,000	M & S	....	....	....	....	....
" Ken. Cent. g. 4's......1987	6,742,000	J & J	101¼	Apr. 4,'05	101¼	101¼	4,000
" L. & N. & Mob. & Montg 1st. g. 4½s..........1945	4,000,000	M & S	110	Feb. 3,'05			
" South. Mon. joint 4's. 1952	11,827,000	J & J	97	Apr. 20,'05	97	96½	57,000
" registered..................		Q Jan	95	Feb. 6,'05	....	....	....
" N. Fla. & S. 1st g. g. 5's, 1937	2,096,000	F & A	115	Mar. 3,'05	....	....	....
" Pen. & At. 1st g. g. 6's, 1921	2,394,000	F & A	112⅛	Mar. 23,'05	....	....	....
" S. & N. A. con. gtd. g. 5's. 1936	3,673,000	F & A	116½	Jan. 18,'05	....	....	....
" So. & N. Ala. si'fd. g. 6s. 1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's. 1945	3,000,000	M & S	98⅝	Oct. 26,'04	....	....	....
Manhattan Railway Con. 4's.....1990	28,065,000	A & O	104⅛	Apr. 28,'05	104⅞	104½	66,000
" registered..................		A & O	104	Apr. 5,'05	104	104	10,000
Metropolitan Elevated 1st 6's....1908	10,818,000	J & J	108	Apr. 27,'05	108½	108	12,000
Manitoba Swn. Coloniza'n g. 5's, 1934	2,544,000	J & D	....	....	....	....	....

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Mexican Central, con. mtge. 4's.1911	65,690,000	J & J	76½	Apr. 28,'05	79	76½	275,000
" 1st con. inc. 3's..........1939	20,511,000	JULY	22	Apr. 29,'05	25	21½	336,000
" 2d 3's..........1939	11,724,000	JULY	15½	Apr. 19,'05	16	15½	25,000
" equip. & collat. g. 5's....1917	550,000	A & O	....	....	....	....	....
" 2d series g. 5's..........1919	665,000	A & O	....	....	....	....	....
" col.trust g.4½'s1st se of1907	10,000,000	F & A	95	Mar. 25,'05	....	....	....
Mexican Internat'l 1st con g. 4's.1977	3,362,000	M & S	90⅝	July29,'01	....	....	....
" stamped gtd..........	3,631,000	......	....	....	....	....	....
Mexican Northern 1st g. 6's.....1910	999,000	J & D	....	....	....	....	....
" registered..........		J & D	105	May 2,19'	....	....	....
Minneapolis & St. Louis 1st g. 7's.1927	950,000	J & D	142	Dec. 7,'03	....	....	....
" Iowa ext. 1st g. 7's......1909	1,015,000	J & D	111⅝	Jan. 31,'05	....	....	....
" Pacific ext. 1st g. 6's....1921	1,382,000	J & A	120¼	Apr. 19,'05	120¼	120¼	8,000
" Southw. ext. 1st g. 7's...1910	636,000	J & D	113¼	Mar. 10,'05	....	....	....
" 1st con. g. 5's..........1934	5,000,000	M & N	117	Mar. 29,'05	....	....	....
" 1st & refunding g. 4's...1949	8,850,000	M & S	96⅛	Apr. 28,'05	97	95½	31,000
DesMoines & Ft. Dge1stgtd g.4's.1935	3,072,000	J & J	98	Mar. 27,'05	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's.1938	32,055,000	J & J	100¾	Apr. 27,'05	100¾	100⅛	17,000
" stamped pay. of int. gtd.			....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's.1926	8,209,000	J & J	103	Nov. 11,'01	....	....	....
" stamped pay. of int. gtd.			89⅜	June 18,'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's.1990	40,000,000	J & D	102¼	Apr. 28,'05	102¼	101⅛	50,000
" 2d mtge. g. 4's..........1990	20,000,000	F & A	85	Apr. 29,'05	86⅝	85	105,000
" 1st ext gold 5's.. 1944	3,254,000	M & N	106¼	Apr. 24,'05	108	106¼	13,000
St. Louis div. 1st refundg 4s...2001	1,892,000	A & O	91½	Apr. 27,'05	91½	91	16,000
Dallas & Waco 1st gtd. g. 5's....1940	1,340,000	M & N	105¼	Dec. 22,'04	....	....	....
Kan. City & Pac. 1st g. 4s......1990	2,500,000	F & A	95	Apr. 25,'05	95	95	1,000
Mo., Kan. & East. 1st gtd. g. 5s.1942	4,000,000	A & O	112⅛	Apr. 24,'05	112⅛	112⅛	5,000
Mo., Kan. & Ok. 40 yr. 1st gtd.5s.1942	5,468,000	M & N	107	Apr. 28,'05	108⅛	107	54,000
Mo., K. & Tex. of Tex. 1stgtd.g.5s1942	4,505,000	M & S	106	Apr. 29,'05	107½	106	46,000
Sher., Shreve. & So. 1st gtd.g.5s.1943	1,689,000	J & D	107⅛	Feb. 24,'05	....	....	....
Tex. & Ok. 40 yr. 1st gtd. g. 5s..1943	2,347,000	M & S	105¾	Apr. 25,'05	108⅝	105¾	49,000
Missouri, Pacific 1st con. g. 6's...1920	14,904,000	M & N	125⅛	Apr. 26,'05	125⅝	125¼	41,000
" 3d mortgage 7's.......1906	3,828,000	M & N	107	Apr. 18,'05	107	107	9,000
" trusts gold 5's stamp'd1917	14,376,000	M & S	106⅛	Apr. 28,'05	107¼	106⅛	57,000
" registered..........		M & S	....	....	....	....	....
" 1st collateral gold 5's.1920	9,636,000	F & A	108	Apr. 29,'05	108⅛	108	10,000
" registered..........		F & A	....	....	....	....	....
Cent. Branch Ry. 1st gtg. g. 4's.1919	3,459,000	F & A	95	Apr. 25,'05	95¼	95	22,000
Leroy & Caney Val. A. L. 1st 5's.1926	520,000	J & J	110	Mar. 13,'05	....	....	....
Pacific R. of Mo. 1st m. ex. 4's.1938	7,000,000	M & S	104⅛	Apr. 5,'05	104⅛	104⅛	3,000
" 2d extended g. 5's.....1938	2,573,000	F & A	117½	Apr. 17,'05	117½	117½	1,000
St. L. & I. g. con. R.R.&l.gr. 5's1931	36,709,000	A & O	117	Apr. 27,'05	118	116¾	33,000
" stamped gtd gold 5's..1931	6,532,000	A & O	109¾	Oct. 21,'03	....	....	....
" unify'g & rfd'g g. 4's.1929	30,347,000	J & J	95	Apr. 29,'05	96⅝	95	260,000
" registered..........		J & J	87¼	Apr. 23,'04	....	....	....
" Riv & Gulf divs 1stg 4s.1933	18,734,000	M & N	96	Apr. 29,'05	96¾	96	236,000
Verdigris V'y Ind. & W. 1st 5's.1926	750,000	M & S	....	....	....	....	....
Mob. & Birm., prior lien, g. 5's...1945	874,000	J & J	111⅛	Mar. 8,04'	....	....	....
" small..........	226,000	J & J	90	Feb. 4,'03	....	....	....
" mtg. g. 4's..........1945	700,000	J & J	93¼	Apr. 6,'05	93¼	93¼	20,000
" small..........	500,000	......	94	Aug. 6,'04	....	....	....
Mob. Jackson & Kan. City 1stg.5's.1946	1,882,000	J & D	97¾	Apr. 24,'05	98½	96½	41,000
Mobile & Ohio new mort. g. 6's..1927	7,000,000	J & J	129	Apr. 14,'05	129	128¾	32,500
" 1st extension 6's......1927	974,000	J & D	124	Apr. 12,'05	124¾	124	6,000
" gen. g. 4's..........1938	9,472,000	Q J	98	Apr. 14,'05	98	98	5,000
" Montg'ry div. 1st g.5's.1947	4,000,000	F & A	114¾	Apr. 20,'05	114¾	114¾	10,000
St. Louis & Cairo gtd g. 4's.....1931	4,000,000	M & S	101	Nov. 9,'04	....	....	....
" collateral g. 4's........1930	2,494,000	Q F	95	Feb. 20,'05	....	....	....
Nashville, Chat. & St. L. 1st 7's...1913	6,300,000	J & J	122⅛	Apr. 18,'05	122⅛	122⅛	1,000
" 1st cons. g. 5's..........1928	7,566,000	A & O	115	Apr. 24,'05	115	114¼	28,000
" 1st g. 6's Jasper Branch.1923	371,000	J & J	121	Apr. 19,'05	121	121	2,000
" 1st 6's McM. M.W. & Al.1917	750,000	J & J	117¼	Mar. 6,'05	....	....	....
" 1st 6's T. & Pb..........1917	300,000	J & J	113	July 6,'99	....	....	....
Nat R.R. of Mex. prior lien g.4½'s.1926	20,000,000	J & J	101	Jan. 30,'05	....	....	....
" 1st con. g. 4's..........1951	22,000,000	A & O	80½	Apr. 28,'05	81¼	80½	97,000
N. O. & N. East. prior lien g. 6's..1915	1,320,000	A & O	108¼	Aug. 13,'94	....	....	....
N.Y. Cent. & Hud. R. g. mtg.3½s.1997	75,946,000	J & J	100½	Apr. 28,'05	100¾	100	111,000
" " registered......		J & J	100	Apr. 27,'05	100	100	5,000
" debenture g. 4's..1890-1905	5,094,000	J & D	100¾	Feb. 8,'05	....	....	....
" registered..........		J & D	99	Dec. 12,'02	....	....	....
" deb. cert. ext. g. 4's...1905	3,581,000	M & N	101¼	Mar. 18,'05	....	....	....
" registered..........		M & N	99½	Nov. 8,'02	....	....	....
" deb. g 4s..........1934	30,000,000	M & N	102⅝	Apr. 28,'05	102⅝	102⅝	6,000
" " registered........		M & N	....	....	....	....	....
Lake Shore col. g. 3½s..........1998	90,578,000	F & A	91½	Apr. 28,'05	92½	91⅜	183,000
" registered..........		F & A	90	Apr. 25,'05	90	90	11,000

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	*Date.*	APRIL SALES. *High.*	*Low.*	*Total.*
Michigan Central col. g. 3½s..1998	19,336,000	F & A	90	Apr. 24,'05	91	89½	38,000
" registered		F & A	89	Apr. 4,'05	89	89	4,000
Beech Creek 1st. gtd. 4's........1936	5,000,000	J & J	107½	Feb. 2,'05			
" registered		J & J	102	Mar. 31,'03			
" 2d gtd. g. 5's..........1936	500,000	J & J					
" registered		J & J					
" ext. 1st. gtd. g. 3½'s..1951	3,500,000	A & O					
" registered		A & O					
Carthage & Adiron. 1st gtd g. 4's 1981	1,100,000	J & D					
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A. 1940	716,000	J & J	87½	June 23,'04			
" small bonds series B......	33,000	J & J					
Gouv. & Oswega. 1st gtd g. 5's.1942	300,000	J & D					
Mohawk & Malone 1st gtd g. 4's.1991	2,500,000	M & S	107½	July 6,19'			
N. Jersey Junc. R. R. g. 1st 4's.1986	1,650,000	F & A	105	Oct. 10,'02			
" reg. certificates		F & A					
N.Y. & Putnam 1st con. gtd g. 4's.1993	4,000,000	A & O	106	Mar. 2,'05			
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O					
West Shore 1st guaranteed 4's.2361	50,000,000	J & J	109⅛	Apr. 26,'05	109¾	109	75,000
" registered		J & J	108½	Apr. 28,'05	109⅛	108½	47,500
Lake Shore g 3½s..............1997	50,000,000		100¾	Apr. 24,'05	100¾	100¾	43,000
" registered		J & D	100½	Feb. 21,'05			
" deb. g. 4's..........1928	40,000,000	M & S	100½	Apr. 29,'05	101	100½	268,000
Detroit, Mon. & Toledo 1st 7's.1906	924,000	F & A	103½	Mar. 23,'05			
Kal., A. & G. R. 1st gtd c. 5's...1938	840,000	J & J					
Mahoning Coal R. R. 1st 5's ...1934	1,500,000	J & J	121	Nov. 21,'03			
Pitt McK'port & Y. 1st gtd 6's..1932	2,250,000	J & J	139	Jan. 21,'03			
" 2d gtd 6's..........1934	900,000	J & J					
McKspt & Bell. V. 1st g. 6's.. 1918	600,000	J & J					
Michigan Cent. 6's.............1909	1,500,000	M & S	109⅝	Apr. 19,'04			
" 5's....................1931	3,576,000	M & S	124	Feb. 3,'05			
" 5's reg................1931		Q M	120	Mar. 9,'05			
" 4's....................1940	2,600,000	J & J	106¼	June 9,'04			
" 4's reg		J & J	106½	Nov. 26,19'			
" g. 3½'s sec. by 1st mge. on J. L. & S.	1,900,000	M & S					
" 1st g. 3½'s..........1952	13,000,000	M & N	96¼	May 26,'04			
Battle C. Sturgis 1st g. g. 3's...1989	476,000	J & D					
N. Y. & Harlem 1st mort. 7's c..1900	12,000,000	M & N	105½	Mar. 2,'05			
" 7's registered.........1900		M & N	102¾	Apr. 6,19'			
N. Y. & Northern 1st g. 5's.....1927	1,200,000	A & O	119½	Mar. 31,'05			
R. W. & Og. con. 1st ext. 5's...1922	9,081,000	A & O	117½	Apr. 19,'05	117½	117½	23,000
coup. g. bond currency		A & O					
Oswego & Rome 2d gtd gold 5's.1915	400,000	F & A	113¾	Jan. 25,'02			
R. W. & O. Ter. R. 1st g. gtd 5's.1918	375,000	M & N					
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	107½	Feb. 4,'05			
N.Y., Chic. & St. Louis 1st g. 4's...1937	19,425,000	A & O	104	Apr. 26,'05	104½	104	10,000
" registered		A & O	101	Mar. 28,'03			
N. Y., N. Haven & Hartford.							
Housatonic R. con. g. 5's.......1937	*2,838,000	M & N	131¾	Apr. 29,'03			
New Haven and Derby con. 5's 1918	575,000	M & N	115½	Oct. 15,'94			
N.Y., Ont. & W'n. ref'ding 1st g. 4's.1992	20,000,000	M & S	104¼	Apr. 26,'05	104½	103½	165,500
" registered.......$5,000 only.		M & S	103½	Jan. 17,'05			
Norfolk & Southern 1st g. 5's....1941	1,590,000	M & N	111¼	Feb. 6,'05			
Norfolk & Western gen. mtg. 6's.1931	7,283,000	M & N	133½	Jan. 23,'05			
" imp'ment and ext. 6's...1934	5,000,000	F & A	132¾	Apr 10,'05	132¾	132¾	10,000
" New River 1st 6's.......1932	2,000,000	A & O	132½	Dec. 28,'04			
Norfolk & West. Ry. 1st con. g. 4s.1996	39,710,500	A & O	101¼	Apr. 27,'05	101¾	101	138,500
" registered		A & O	99¾	June 18,'03			
" small bonds		A & O					
" div. 1st lien & gen g. 4s.1944	8,000,000	J & J	99¼	Mar. 13,'05			
" " registered		J & J					
" Pocahon C.& C. Co. jt. 4's.1941	20,000,000	J & D	97¼	Apr. 29,'05	97½	96½	99,000
" C. C. & T. 1st g. t. g g 5's 1922	600,000	J & J	109½	Feb. 20,'05			
" Sci'o Val & N.E. 1st g. 4's.1989	5,000,000	J & N	102¾	Apr. 24,'05	103	102⅝	42,000
N. P. Ry prior ln ry. & ld. gt. g. 4's..1997	101,392,500	Q J	105½	Apr. 28,'05	105¾	105	265,500
" registered		Q J	103½	Apr. 24,'05	103½	103¼	7,500
" gen. lien g. 3's..........2047	56,000,000	Q F	77	Apr. 29,'05	77¼	76¼	359,000
" registered		Q F	75	Feb. 21,'05			
St. Paul & Duluth div. g. 4's...1996	7,897,000	J & D	100	Mar. 24,'05			
" registered		J & D					
St. Paul & N. Pacific gen g. 6's.1923	7,985,000	F & A	125½	Apr. 24,'05	125½	125½	1,000
" registered certificates		Q F	132	July 28,'98			
St. Paul & Duluth 1st 5's.......1931	1,000,000	F & A	112¼	July 21,'03			
" 2d 5's.................1917	2,000,000	A & O	108	Apr. 26,'05	108	107¾	7,000
" 1st con. g. 4's..........1968	1,000,000	J & D	100¼	Apr. 12,'05	100¼	100¼	2,000
Washington Cen. Ry 1st g. 4's..1948	1,538,000	QMCH	92½	Apr. 14,'05	92½	92½	1,000
Nor. Pacific Term. Co. 1st g. 6's..1933	3,587,000	J & J	116	Jan. 30,'05			

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	April Sales. High.	April Sales. Low.	April Sales. Total.
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	118¼	Feb. 2,'05	....	....	....
" gen. mortg. g 6's	1937	2,428,000	A & O	111¼	Apr. 25,'05	111¼	111¼	1,000
Ozark&Cher.Cent.Ry.1st gtd g 5s	1913	2,880,000	A & O	99¼	Apr. 27,'05	99¼	99¼	20,000
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	114	Apr. 18,'05	114½	114	12,000
Panama 1st sink fund g. 4½'s	1917	2,871,000	A & O	103	Apr. 11,'05	103	102½	7,000
" s. f. subsidy g 6's	1910	715,000	M & N	102	Apr. 14,'02	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	111	Apr. 28,'05	111	110⅞	12,000
" reg	1921		J & J	106	Jan. 13,'05	....	....	....
" gtd.3½ col.tr.reg. cts.	1937	4,843,000	M & S	98	July 16,'04	....	....	....
" gtd.3½ col.tr.cts.ser B	1941	9,687,000	F & A	94	Mar. 6,'05	....	....	....
" Trust Co. ctfs. g. 3½'s.	1916	15,998,000	M & N	98⅝	Apr. 12,'05	98¾	98⅝	53,000
" gtd. g. 3½'s tr. cts. s.C.	1942	5,000,000	J & D	....		....	....	....
" gtd. g. 3½'s tr. cts.s.D.	1944	10,000,000	J & D	....		....	....	....
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	117¾	Apr. 17,'05	117¾	117¾	1,000
" registered		....	A & O	110	May 3,'92	....	....	....
Cin., Leb. & N. 1st con.gtd.g.4's.	1942	900,000	J & J	....		....	....	....
Clev.&P.gen.gtd.g.4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug. 21,'03	....	....	....
" Series B	1942	1,561,000	A & O	....		....	....	....
" " Int. reduc. 3½ p.c.		439,000	......	....		....	....	....
" Series C 3½s	1948	3,000,000	M & N	....		....	....	....
" Series D 3½s	1950	1,990,000	F & A	98	Jan. 8,'04	....	....	....
E.&Pitts. gen.gtd.g.3½s Ser.B.	1940	2,240,000	J & J	102	Nov. 7,19'	....	....	....
" " " C.	1940	2,218,000	J & J	98¾	Apr. 4,'04	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's.	1945	1,400,000	J & J	....		....	....	....
Pitts., C. C. & St. L. con. g 4½'s..								
" Series A	1940	10,000,000	A & O	114½	Jan. 24,'05	....	....	....
" Series B gtd	1942	8,786,000	A & O	112½	Apr. 10,'05	112½	112½	2,000
" Series C gtd	1942	1,379,000	M & N	110	Aug. 17,'01	....	....	....
" Series D gtd. 4's	1945	4,983,000	M & N	104½	Oct. 6,'04	....	....	....
" Series E gtd. g. 3½s	1949	10,257,000	F & A	93⅝	Apr. 18,'05	93⅝	93⅝	1,000
" Series F c. gtd. g. 4's	1953	9,000,000	J & D	....		....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,219,000	J & J	127⅝	Oct. 21,'02	....	....	....
" 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03	....	....	....
" 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04	....	....	....
Tol Walhonding Vy.&O.1st gtd. bds 4½'s series A	1931	1,500,000	J & J	....		....	....	....
" 4½'s series B	1933	978,000	J & J	....		....	....	....
" 4's series C	1942	1,453,000	M & S	....		....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Feb. 26,'05	....	....	....
con. sterling gold 6 per cent	1905	22,762,000	J & J	....		....	....	....
con. currency, 6's registered	1905	4,718,000	Q M 15	....		....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept. 21,'04	....	....	....
" registered			Q M	....		....	....	....
con. gold 4 per cent	1943	2,797,000	M & N	106	Aug. 28,'03	....	....	....
" ten year conv. 3½'s	1912	20,692,500	M & N	105⅛	Apr. 27,'05	105¾	105	563,500
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	110	Aug. 28,19'	....	....	....
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J	....		....	....	....
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05	....	....	....
Del.R. RR.& BgeCo 1stgtdg.4's	1936	1,300,000	F & A	....		....	....	....
G.R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	111	Apr. 27,'05	111	111	7,000
Phila. Balto. & Wash. 1st g. 4's	1943	10,570,000	M & N	108¼	Mar. 15,'05	....	....	....
" registered			M & N	....		....	....	....
Pitts. Va.&Charl. Ry 1stgtdg.4's	1943	6,000,000	M & N	....		....	....	....
Sunbury & Lewistown 1stg.4's	1936	500,000	J & J	....		....	....	....
U'd N.J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept. 28,04'	....	....	....
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123⅛	Jan. 18,'05	....	....	....
" 2d m 4½'s	1921	1,499,000	M & N	101	July 8,'04	....	....	....
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02	....	....	....
Flint & Pere Marquette g. 6's	1920	3,999,000	A & O	119½	Apr. 13,'05	119½	119⅛	1,000
" 1st con. gold 5's	1939	2,850,000	M & N	114½	Apr. 26,'05	114½	114	38,000
" Port Huron d 1st g 5's	1939	3,325,000	A & O	116½	Mar. 31,'05	....	....	....
Sag'w Tusc. & Hur. 1st gtd.g.4's	1931	1,000,000	F & A	....		....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93	....	....	....
Pittsburg. Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A.	1928	2,000,000	A & O	112½	Dec. 13,'93	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	120	Mar. 8,'05	....	....	....
" 1st cons. 5's	1943	408,000	J & J	87¾	Jan. 12,19'	....	....	....
Pittsburg. Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	117½	Oct. 24,'04	....	....	....
Reading Co. gen. g. 4's	1997	66,232,000	J & J	102¼	Apr. 29,'05	102½	102	376,000
" registered			J & J	100	Jan. 27,'05	....	....	....
" Jersey Cent. col. g. 4's	1957	23,000,000	......	99¼	Apr. 27,'05	99¾	98½	26,000
" " registered		....	......	....		....	....	....
Atlantic City 1st con. gtd. g.4's	1951	1,063,000	M & N	....		....	....	....
Philadelphia & Reading con.6's	1911	7,304,000	J & D	113¼	Feb. 25,'05	....	....	....
" registered		663,000	J & D	....		....	....	....

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Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	April Sales. High.	April Sales. Low.	April Sales. Total.
" 7's........................1911	7,310,000	J & D	119¼	Apr. 2,'04	....	....	....
" " registered..............	3,339,000	J & D	118	Jan. 7,'05	....	....	....
Rio Grande Junc'n 1st gtd. g. 5's, 1939	2,000,000	J & D	109	Mar. 11,'05	....	....	....
Rio Grande Southern 1st g. 4's..1940	2,233,000	J & J	75¼	Mar. 24,'05	....	....	....
" guaranteed...............	2,277,000	......	89	Jan. 4,'05	....	....	....
Rutland RR 1st con. g. 4½ s....1941	2,440,000	J & J	103¾	May 10,'04	....	....	....
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s1948	4,400,000	J & J	....	....	....	....	....
Rutland Canadian 1stgtd.g.4's.1949	1,350,000	J & J	101¼	Nov.18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 3.342.......1947	3,500,000	J & J	94	Apr. 7,'05	94	94	6,000
St. L. & Adirondack Ry. 1st g. 5's.1996	800,000	J & J	....	....	....	....	....
" 2d g. 6's...............1996	400,000	A & O	....	....	....	....	....
St. Louis & San F. 2d 6's, Class B, 1906	996,000	M & N	104¾	Apr. 3,'05	104¾	104¾	3,000
" 2d g. 6's, Class C......1906	829,000	M & N	104⅛	Feb. 21,'05	....	....	....
" gen. g. 6's...........1931	3,681,000	J & J	129⅛	Mar. 21,'05	....	....	....
" gen. g. 5's 1931	5,803,000	J & J	115½	Apr. 28,'05	115⅛	115	15,000
St. L & San F. R. R. con. g. 4's.1996	1,558,000	J & D	100¼	Apr. 28,'05	100¼	100¼	1,000
" S. W. div. g. 5's........1947	829,000	A & O	102	Apr. 19,'05	102	102	3,000
" refunding g. 4's.......1951	58,997,000	J & J	90	Apr. 29,'05	91½	90	350,000
" " registered...		J & J	....	....	....	....	....
" 5 year 4½'s gold notes.1908	5,728,000	J & D	96	Dec. 8,'04	....	....	....
Kan. Cy Ft.S.&MemRRcong6's1928	13,736,000	M & N	126¼	Jan. 23,'05	....	....	....
Kan.Cy Ft.S &M Ry refggtd g4s.1936	16,853,000	A & O	89	Apr. 28,'05	90	88⅛	347,000
" registered.........		A & O	78⅛	Jan. 14,'04	....	....	....
Kan.Cy&M.R.&B.Co.1stgtdg5s.1929	3,000,000	A & O	....	....	....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs., 1989	20,000,000	M & N	99¾	Apr. 29,'05	99¾	99	64,000
" 2d g. 4's inc. Bd. ctfs....1989	3,272,500	J & J	86⅛	Apr. 28,'05	87⅛	86¼	29,000
" con. g. 4's.... 1932	15,178,000	J & D	83⅛	Apr. 28,'05	84¼	82⅞	988,000
Gray's Point, Term. 1stgtd. g. 5's. 1947	339,000	J & D	....	....	....	....	....
St. Paul, Minn. & Manito'a 2d 6's..1909	6,932,000	A & O	110⅛	Jan. 20,'05	....	....	....
" 1st con. 6's.............1933	13,344,000	J & J	137	Apr. 12,'05	137	136	2,000
" 1st con. 6's, registered....		J & J	140	May 14,'02	....	....	....
" 1st c. 6's, red'd to g. 4½'s...	19,322,000	J & J	111⅝	Mar. 31,'05	....	....	....
" 1st cons. 6's register'd....		J & J	115¼	Apr. 15,'01	....	....	....
" Dakota ext'n g. 6's...1910	5,284,000	M & N	112⅜	Apr. 12,'05	112⅜	112⅜	1,000
" Mont. ext'n 1st g. 4's..1937	10,185,000	J & D	105	Apr. 17,'05	105	104⅝	2,000
" registered................		J & D	106	May 6,'01	....	....	....
" Pac. Ext. sterl. gtd. 4s..1940 $5=£1.	£4,000,000	J & J	....	....	....	....	....
Eastern R'y Minn, 1std. 1stg. 5's..1908	4,700,000	A & O	104¾	Mar. 8,'05	....	....	....
" registered................		A & O	....	....	....	....	....
" Minn. N. div. 1stg. 4's..1940	5,000,000	A & O	....	....	....	....	....
" registered................		A & O	....	....	....	....	....
Minneapolis Union 1st g. 6's....1922	2,150,000	J & J	123	Apr. 24,'05	123	123	1,000
Montana Cent. 1st 6's int. gtd..1937	6,000,000	J & J	135	Jan. 25,'05	....	....	....
" 1st 6's, registered.........		J & J	134¾	Dec. 20,'04	....	....	....
" 1st g. g. 5's........... 1937	4,000,000	J & J	118⅛	Feb. 20,'05	....	....	....
" registered................		J & J	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's, 1938	3,625,000	J & D	117	Jan. 11,'04	....	....	....
" registered................		J & D	....	....	....	....	....
Salt Lake City 1st g. s. f. 6's......1913	297,000	J & J	....	....	....	....	....
San Fe Pres.& Phoe.Ry.1st g.5's, 1942	4,940,000	M & S	110	Jan. 7,'04	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	113¾	Dec. 11,'01	....	....	....
Seaboard Air Line Ry g. 4's......1950							
" registered................	12,775,000	A & O	86	Apr. 29,'05	88⅛	85⅛	113,000
" col. trust refdg g. 5's..1911		A & O	....	....	....	....	....
Carolina Central 1st con. g. 4's.1949	10,000,000	M & N	104⅝	Apr. 25,'05	104⅝	104	35,000
Fla Cent & Peninsular 1st g.5's.1918	2,847,000	J & J	99	Mar. 20,'05	....	....	....
" 1st land grant ext g.5's.1930	3,000,000	J & J	109	Feb. 2,'05	....	....	....
" cons. g. 5's.............1943	410,000	J & J	....	....	....	....	....
Georgia & Alabama 1st con.5's.1945	4,370,000	J & J	109⅛	Mar. 3,'05	....	....	....
Ga. Car. & Nthern 1st gtd g. 5's.1929	2,922,000	J & J	112¼	Apr. 27,'05	112¼	111¾	10,000
Seaboard & Roanoke 1st 5's....1926	5,360,000	J & J	110	Jan. 16,'05	....	....	....
Sodus Bay & Sout'n 1st 5's, gold. 1924	2,500,000	J & J	....	....	....	....	....
Southern Pacific Co.	500,000	J & J	102	Jan. 20,'03	....	....	....
" 2-5 year col. trust g. 4½'s.1905	30,000,000	J & D	101⅝	Apr. 24,'05	101¾	101½	135,000
" g. 4's Central Pac. coll..1949	28,818,500	J & D	95¼	Apr. 29,'05	95½	95	153,500
" " registered......		J & D	91	Apr. 5,'05	91	91	2,000
Austin & Northw'n 1st g. 5's...1941	1,920,000	J & J	109⅛	Feb. 3,'05	....	....	....
Cent. Pac. 1st refud. gtd. g. 4's..1949	76,851,000	F & A	101	Apr. 29,'05	101¾	101	132,500
" registered................		F & A	98	Apr. 7,'05	98	98	500
" mtge. gtd. g. 3½'s...1929	17,493,000	J & D	89⅛	Apr. 25,'05	89⅛	89	39,000
" " registered........		J & D	....	....	....	....	....
" through S L 1st gtd g. 4's.1954	8,300,000	A & O	....	....	....	....	....
" registered............		A & O	....	....	....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's..1910	4,756,000	F & A	108⅛	Mar. 1,'05	....	....	....
" 2d g 7's............... 1905	1,000,000	J & D	103	Sept. 20,'04	....	....	....
" Mex. & P. div 1st g 5's.1931	13,418,000	M & N	115	Feb. 24,'05	....	....	....

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Gila Val. G. & N'n 1st gtd g 5's	1924	1,514,000	M & N	110	Apr. 4,'05	110	110	2,000
Houst. E. & W. Tex. 1st g. 5's	1933	501,000	M & N	105½	Jan. 27,'05	....	....	....
" 1st gtd. g. 5's	1933	2,199,000	M & N	107¼	Feb. 20,'05	....	....	....
Houst. & T. C. 1st g 5's int. gtd.	1937	5,092,000	J & J	112	Apr. 12,'05	112	111½	18,000
" con. g 6's int. gtd.	1912	2,430,000	A & O	113	Dec. 15,'04	....	....	....
" gen. g 4's int. gtd.	1921	4,275,000	A & O	99½	Apr. 27,'05	100	99	25,000
" W & Nwn. div. 1st. g. 6's	1930	1,105,000	M & N	127⅛	Feb. 27,'02	....	....	....
Louisiana Western 1st 6's	1921	2,240,000	J & J	....		....	....	....
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	122	Dec. 6,'04	....	....	....
" 1st 7's	1918	5,000,000	A & O	129½	Nov. 5,'04	....	....	....
N. Y. Tex. & Mex. gtd. 1st g 4's	1912	1,465,000	A & O	....		....	....	....
Nth'n Ry of Cal. 1st gtd. g. 6's	1907	3,964,000	J & J	106	Sept. 14,'04	....	....	....
" gtd. g. 5's		4,751,000	A & O	113	Jan. 4,'01	....	....	....
Oreg. & Cal. 1st gtd. g 5's	1927	18,631,000	J & J	102	Nov. 25,'04	....	....	....
San Ant. & Aran Pass 1st gtd g 4's	1943	17,544,000	J & J	89	Apr. 28,'05	90½	89	28,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	108¼	Apr. 14,'05	108¼	108¼	1,000
" " "	1910	4,000,000	J & J	109⅝	Jan. 6,'05	....	....	....
" of Cal. 1st g 6's ser. B.	1905	16,738,500	A & O	102¼	Mar. 8,'04	....	....	....
" " " C. & D.	1906		A & O	104½	Dec. 22,'04	....	....	....
" " " E. & F.	1902		A & O	115	Mar. 17,'05	....	....	....
" " "	1912		A & O	116	June 29,'04	....	....	....
" 1st con. gtd. g 5's	1937	6,809,000	M & N	119	Feb. 2,'04	....	....	....
" stamped	1905-1937	21,470,000	......	109⅝	Apr. 24,'05	109⅝	109½	18,500
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....		....	....	....
" of N. Mex. c. 1st 6's	1911	4,180,000	J & J	109½	Feb. 23,'05	....	....	....
Tex. & New Orleans 1st 7's	1905	862,000	F & A	103	Oct. 3,'04	....	....	....
" Sabine div. 1st g 6's	1912	2,575,000	M & S	112½	Feb. 24,'05	....	....	....
" con. g 5's	1943	1,620,000	J & J	108½	Mar. 4,'05	....	....	....
Southern Railway 1st con. g 5's	1994	41,177,000	J & J	119	Apr. 29,'05	120	118¾	237,000
" registered			J & J	110	Feb. 29,'04	....	....	....
Mob. & Ohio collat. trust g. 4's	1938	8,029,000	M & S	97½	Apr. 28,'05	97⅛	96⅛	58,000
" registered			M & S	....		....	....	....
" Memph. div. 1st g. 4-4½-5's	1996	5,183,000	J & J	118	Apr. 24,'05	118	118	4,000
" registered			J & J	....		....	....	....
" St. Louis div. 1st g. 4's	1951	11,750,000	J & J	99	Apr. 29,'05	99¼	98	51,000
" " registered			J & J	....		....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	117½	Mar. 20,'05	....	....	....
Atlantic & Danville 1st g. 4's	1948	3,925,000	J & J	98½	Mar. 8,'05	....	....	....
" 2d mtg.	1948	775,000	J & J	90½	Dec. 6,'04	....	....	....
Atlantic & Yadkin, 1st gtd g 4s	1949	1,500,000	A & O	....		....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	118	May 12,'04	....	....	....
East Tenn., Va. & Ga. div. g. 5's	1930	3,106,000	J & J	114	Apr. 6,'05	114	114	1,000
" con. 1st g 5's	1956	12,770,000	M & N	122	Apr. 18,'05	122½	122	9,000
" reorg. lien g 4's	1938	4,500,000	M & S	114	Mar. 10,'05	....	....	....
" registered			M & S	....		....	....	....
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	124¾	Apr. 18,'05	124¾	124¾	2,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	127	Apr. 3,'05	127	127	1,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	118	Apr. 27,'05	118	116½	7,000
" deb. 5's stamped	1927	3,368,000	A & O	112⅝	Jan. 24,'05	....	....	....
Rich. & Mecklenburg 1st g. 4's	1948	315,000	M & N	98	Feb. 18,'05	....	....	....
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	109⅝	Apr. 8,'05	109⅝	109¼	7,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	103	Mar. 29,'04	....	....	....
" small			M & S	....		....	....	....
" ser. B 6's	1911	1,900,000	M & S	113½	Jan. 6,'03	....	....	....
" small			M & S	....		....	....	....
" ser. C 6's	1916	1,100,000	M & S	123	Feb. 8,'02	....	....	....
" small			M & S	....		....	....	....
" ser. D 4-5's	1921	950,000	M & S	110	Dec. 22,'04	....	....	....
" small			M & S	....		....	....	....
" ser. E 5's	1926	1,775,000	M & S	114	Jan. 11,'05	....	....	....
" small			M & S	....		....	....	....
" ser. F 5's	1931	1,310,000	M & S	112½	Apr. 28,'05	112½	112½	10,000
Virginia Midland gen. 5's	1936	2,392,000	M & N	117	Apr. 5,'05	117	117	3,000
" gen. 5's. gtd. stamped	1926	2,466,000	M & N	110½	May 10,'04	....	....	....
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	97	Apr. 13,'05	97	97	5,000
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	116⅛	Mar. 16,'05	....	....	....
Spokane Falls & North. 1st g. 6's	1939	2,812,000	J & J	117	July 25,'19'	....	....	....
Staten Isl. Ry. N. Y. 1st gtd. g. 4½'s	1943	500,000	J & D	100	Nov. 22,'04	....	....	....
Ter. R. R. Assn. St. Louis 1 g 4½'s	1939	7,000,000	A & O	111⅛	Apr. 20,'05	111⅛	111⅛	1,000
" 1st con. g. 5's	1894-1944	5,000,000	F & A	121	Apr. 28,'05	121	121	10,000
" gn. refdg. sg. fd. g. 4's.	1953	18,000,000	J & J	101⅛	Apr. 14,'05	101⅛	101	15,000
" " " registered.			J & J	....		....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	112½	July 29,'04	....	....	....
Tex. & Pacific, 1st gold 5's	2000	25,000,000	J & D	123¼	Apr. 28,'05	123¾	122½	151,000
" 2d gold income, 5's	2000	963,000	MAR.	94	Apr. 19,'05	94	94	7,000
" La. Div. B. L. 1st g. 5's	1931	4,241,000	J & J	111⅝	Apr. 6,'05	111⅝	111⅝	3,000
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106½	Nov. 7,'04	....	....	....

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Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	112	Apr. 28,'04	112	110⅛	8,000
" 1st M. g 5's West. div.	1935	2,500,000	A & O	111	May 31,'04	....	....	....
" gen. g. 5's	1935	2,000,000	J & D	107	Sept. 8,'04	....	....	....
" Kanaw & M. 1st g. g. 4's	1990	2,469,000	A & O	96⅛	Apr. 15,'05	97½	95⅝	20,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	94½	Apr. 25,'05	95	94½	10,000
Tol., St.L.&Wn. prior lien g 3½'s	1925	9,000,000	J & J	91	Apr. 27,'05	91⅛	90⅝	54,000
" registered			J & J	....	....	....	....	....
" fifty years g. 4's	1925	6,500,000	A & O	84	Apr. 28,'05	85¼	83⅞	424,000
" registered			A & O	....	....	....	....	....
Toronto, Hamilton&Buff 1st g 4s	1946	3,280,000	J & D	98¼	Apr. 24,'05	98¼	98¼	5,000
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	113	Apr. 4,'05	113	113	1,000
" 1st ref. g. 4's	1952	700,000	A & O	95¼	Jan. 13,'05	....	....	....
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	105⅝	Apr. 28,'05	106⅞	105½	873,500
" registered			J & J	104½	Apr. 28,'05	104½	104¼	12,000
" 1st lien con. g. 4's	1911	34,465,000	M & N	120	Apr. 29,'05	138½	120	4,882,000
" registered			M & N	137¾	Apr. 15,'05	137¾	137¾	2,000
Oreg. R. R. & Nav.Co.con. g 4's	1946	21,482,000	J & D	102½	Apr. 29,'05	103¾	102¼	62,000
Oreg. Short Line Ry. 1st g. 6's	1922	14,931,000	F & A	125⅝	Apr. 28,'05	125⅝	124½	33,000
" 1st con. g. 5's	1946	12,328,000	J & J	120	Apr. 24,'05	120	119¼	5,000
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
" g. 5's	1926	1,812,000	J & J	114½	Apr. 19,'02	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	110	Mar. 1,'05	....	....	....
Wabash R.R. Co., 1st gold 5's	1939	33,011,000	M & N	119	Apr. 29,'05	119½	118¼	120,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	107½	Apr. 28,'05	109½	107⅛	103,000
" deben. mtg series A	1939	3,500,000	J & J	90	Feb. 4,'05	....	....	....
" series B	1939	26,500,000	J & J	74	Apr. 29,'05	82	74	4,312,000
" first lien eqpt. fd. g. 5's	1921	2,600,000	M & S	102	Jan. 13,'04	....	....	....
" 1st lien 50 yr. g. term 4's	1954	1,715,000	J & J	92	Apr. 17,'05	92	92	1,000
" 1st g. 5's Det. & Chi. ex	1940	3,349,000	J & J	110¼	Mar. 28,'05	....	....	....
" Des Moines div. 1st g. 4s	1939	1,600,000	J & J	97	Nov. 16,'04	....	....	....
" Omaha div. 1st g. 3½s	1941	3,173,000	A & O	88	Apr. 6,'05	88	88	10,000
" Tol. & Chic. div. 1st g. 4's	1941	3,000,000	M & S	97½	Jan. 23,'05	....	....	....
St. L., K.C. & N. St. Chas. B. 1st 6's	1908	463,000	A & O	109½	Mar. 13,'03	....	....	....
Wabash Pitts Terml Ry 1st g. 4's	1954	25,000,000	J & D	94¼	Apr. 29,'05	95¼	94	1,288,000
" 2d g. 4's	1954	20,000,000	J & D	39	Apr. 29,'05	43	38⅞	1,222,000
Western Maryland 1st 4's	1952	29,367,000	A & O	89½	Apr. 29,'05	91¼	89½	436,000
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	119	Apr. 7,'05	119	119	1,000
" gen g. 3-4's	1943	9,789,000	A & O	97	Apr. 24,'05	97¼	97	13,000
" inc. 5's	1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va. Cent'l & Pitts. 1st g. 6's	1911	3,250,000	J & J	112	Apr. 12,'05	112	112	5,000
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	114¾	Mar. 28,'05	....	....	....
" Wheeling div. 1st g. 5's	1928	894,000	J & J	110¼	May 17,'04	....	....	....
" exten. and imp. g. 5's	1930	343,000	F & A	114¼	Mar. 16,'05	....	....	....
" 20 year eqptmt s.f.g. 5's	1922	11,618,000	J & J	102	Jan. 3,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	2,152,000	M & S	94¾	Apr. 28,'05	95	92¾	867,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	94⅜	Apr. 29,'05	94½	93½	161,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	....	....	....	....	....
Street Railway Bonds.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	109	Apr. 28,'05	109	109	15,000
" 1st ref. conv. g. 4's	2002	17,000,000	J & J	88¼	Apr. 28,'05	89⅞	86¾	2,171,000
" " registered			J & J	....	....	....	....	....
" City R. R. 1st c. 5's 1916.	1941	4,373,000	J & J	109½	Nov. 18,'04	....	....	....
" Qu. Co. & S. c. gd. g. 5's	1941	2,255,000	M & N	106	Feb. 9,'05	....	....	....
" Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	109¼	Apr. 28,'05	111	109¼	25,000
" stamped guaranteed			......	109¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	92	Apr. 13,'05	92	92	10,000
" stamped guaranteed			......	91½	Apr. 20,'05	92¾	91½	41,000
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	87¾	Apr. 29,'05	88½	87¾	80,000
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Lightg 1st & rfg. g 4½'s	1951	10,913,000	J & J	100¾	Apr. 11,'05	100¾	100½	50,000
" stamped guaranteed			......	....	....	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97½	June 13,'19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	918,000	J & J	....	....	....	....	....
Detroit Cit'ens St. Ry. 1st con. g. 5's	1905	5,485,000	J & J	103	Nov. 23,'01	....	....	....
Detroit United Ry 1st c. g. 4½'s	1932	3,450,000	J & J	95⅝	Mar. 13,'05	....	....	....
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....	....	....	....	....
Havana Elec. Ry. con. g. 5s	1952	6,957,000	F & A	95	Apr. 20,'05	95	94	55,000
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Metro. St. Ry N.Y. g. col. tr. g. 5's	1997	12,500,000	F & A	115	Apr. 28,'05	116¼	115	24,000
" refunding 4's	2002	15,134,000	A & O	91	Apr. 18,'05	91¼	90¾	27,000
B'way & 7th ave. 1st con. g. 5's,	1943	7,650,000	J & D	119½	Apr. 1,'05	119½	119½	1,000
" registered			J & D	119½	Dec. 3,19'	....	....	....

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Columb. & 9th ave. 1st gtd g 5's, 1993	3,000,000	M & S	121	Apr. 1,'05	121	121	1,000
" registered		M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	120½	Mar. 28,'05	....	....	....
" registered		M & S	....	....	....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	36,943,000	J & J	96	Apr. 28,'05	96¼	95½	59,000
" registered		J & J	....	....	....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	118¼	Apr. 24,'05	118¼	118¼	3,000
Met. West Side Elev. Chic. 1st g. 4's. 1938	9,808,000	F & A	104¾	Mar. 24,'05	....	....	....
" registered		F & A	....	....	....	....	....
Mil. Elec. R. & Light con. 30 yr. g. 5's. 1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's....1919	4,050,000	J & J	106	Nov. 22,'01	....	....	....
St. Jos. Ry. Lig't, Heat & P. 1st g. 5's. 1937	3,763,000	M & N	....	....	....	....	....
St. Paul City Ry. Cable con. g. 5's. 1937	2,480,000	J&J15	110	July, 8'04	....	....	....
" gtd. gold 5's....1937	1,138,000	J & J	112	Nov. 28,'99	....	....	....
Undergr'd Elec. Rys. of London Ltd.	16,550,000	J & D	99¾	Apr. 28,'05	100	99½	336,500
5% profit sharing notes 1908 series A		J & D	....	....	....	....	....
" series B		J & D	....	....	....	....	....
" series C		J & D	....	....	....	....	....
" series D		J & D	....	....	....	....	....
Union Elevated (Chic.) 1st g. 5's. 1945	4,387,000	A & O	109½	Dec. 14,'99	....	....	....
United Railways of St. L. 1st g. 4's. 1934	28,292,000	J & J	89¼	Apr. 27,'05	89⅝	89	83,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	88¾	Apr. 25,'05	89½	88¾	188,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

NAME. Principal Due.	Amount.	Int'st Paid.	Price.	Date.	High.	Low.	Total.
Adams Express Co. col. tr. g. 4's. 1948	12,000,000	M & S	103½	Apr. 29,'05	104	103	65,500
Am. Steamship Co. of W. Va. g. 5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn. Ferry Co. of N. Y. 1st c. g. 5's. 1948	6,500,000	F & A	56	Apr. 26,'05	58	56	7,000
Chic. Junc. & St'k Y'ds col. g. 5's. 1915	10,000,000	J & J	107¾	Nov. 4,'03	....	....	....
Der. Mac. & Ma. ld. gt. 3½'s sem. an. 1911	1,655,000	A & O	74	Apr. 14,'05	74	71½	20,000
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....	....	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g. 5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's. 1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's.........1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	96	Apr. 28,'05	96⅝	96	24,500
" registered		F & A	....	....	....	....	....
Provident L. Soc. of N. Y. g. 4's..1921	2,000,000	M & S	100	Mar. 20,'05	....	....	....
St. Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....	....	....	....	....
St. Louis Terml. Cupples Station. & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	118½	Dec. 18,19'	....	. ..	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series E 4's..........1907–1917	1,000,000	J & D	....	....	....	....	....
" F 4's..........1908–1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's..........1903–1918	1,000,000	F & A	....	....	....	....	....
" H 4's..........1903–1918	1,000,000	M & N	....	....	....	....	....
" I 4's..........1904–1919	1,000,000	F & A	....	....	....	....	....
" J 4's..........1904–1919	1,000,000	M & N	....	....	....	....	....
" K 4's..........1905–1920	1,000,000	J & J	....	....	....	....	....
Small bonds..........	....	......	....	....	....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	100	Apr. 26,'05	100	99⅞	39,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,863,000	M & S	97	Apr. 29,'05	98¼	97	114,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	95	Apr. 26,'05	95	94¾	48,000
Am. Thread Co., 1st coll. trust 4's. 1919	6,000,000	J & J	87¾	Apr. 29,'05	88	87½	34,000
Am. Tobacco Co. 40 yrs g. 6's....1944	50,769,750	A & O	113½	Apr. 29,'05	115½	113	1,068,500
" registered		A & O	113¼	Apr. 18,'05	114½	113¼	3,000
" g. 4's..........1951	72,757,000	F & A	73	Apr. 29,'05	75¼	73	2,976,000
" " registered		F & A	74	Apr. 17,'05	74¾	74	5,000
Barney & Smith Car Co. 1st g. 6's. 1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Consol. Tobacco Co. 50 year g. 4's. 1951	157,378,200	F & A	80¼	Apr. 29,'05	82½	80¼	146,000
" registered		F & A	85¼	Dec. 3,'04	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	18,609,000	A & O	78¼	Apr. 28,'05	81¼	78¼	1,196,000
Dis. Co. of Am. coll. trust g 5's..1911	2,090,000	J & J	99	Sept. 16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l Paper Co. 1st con. g 6's. 1918	9,724,000	F & A	109	Apr. 24,'05	109½	108⅞	28,000
" con. conv. sinkg fund g 5s 1935	5,000,000	J & J	94½	Apr. 29,'05	95	93	408,000
Int. Steam Pump 10 year deb. 6's. 1913	2,500,000	J & J	104⅝	Apr. 26,'05	104⅝	103¾	52,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued*.

NAME. Principal Due.	Amount.	Int't paid.	LAST SALE. Price.	LAST SALE. Date.	APRIL SALES. High.	APRIL SALES. Low.	APRIL SALES. Total.
Knick'r'ker IceCo.(Chic)1st g 5's.1928	1,987,000	A & O	98	Feb. 3,'05	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	105	Apr. 29,'05	105½	105	148,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,851,000	J & J	91½	Feb. 21,'05	....	....	....
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	60	Apr. 28,'05	60	60	1,000
Standard Rope & Twine 1st g. 6's.1946	2,740,000	F & A	57	Apr. 19,'05	59¼	53	279,000
Standard Rope&Twine inc.g.5s..1946	6,806,000	......	6¼	Apr. 20,'05	8	5¼	813,000
United Fruit Co., con. 5's........1911	2,249,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's...1918	1,624,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb..1915	5,280,000	M & N	112	Apr. 25,'05	112½	112	13,000
U. S. Reduction & Refin. Co. 6's..1931	....	......	94½	Apr. 29,'05	97	90¾	428,000
U.S. Realty & Imp.con.deb.g.5's.1924	13,284,000	......	100	Apr. 29,'05	103⅝	100	392,000
U.S.SteelCorp.10-60yr.g.sk.fd5's 1963	}	M & N	97	Apr. 29,'05	98½	95¼	12091000
″ ″ ″ reg. 1963	} 170,000,000	M & N	94¾	Apr. 28,'05	97¾	94¾	25,000
Va.Carol Chem. col.tr.s.fd.g.5's..1912	6,500,000	A & O	99⅞	Apr. 24,'05	99⅞	99⅞	14,000
BONDS OF COAL AND IRON COS.							
Col. Fuel & Iron Co. g. s.fd. g 5's..1943	5,855,000	F & A	104	Apr. 28,'05	104½	103⅝	88,000
{ ″ conv. deb. g. 5's..........1911	} 1,710,000	F & A	90	Feb. 25,'05	....	....	....
″ ″ registered............		F & A	....	....	....	....	....
″ ″ Trust Co. certfs.......	12,358,000	......	87½	Apr. 19,'05	87½	87	106,000
Col. C'l & I'n Dev.Co. gtd g.5's..1909	700,000	J & J	55	Nov. 2,19'	....	....	....
″ Coupons off..................	....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's.......1919	640,000	M & N	107½	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.1919	949,000	A & O	102½	July 26,'02	....	....	....
Col.Inds.1st cv g&col tr gt5s ser A1934	12,878,000	F & A	73½	Apr. 27,'05	76¼	73	478,000
″ registered..................	....	F & A	....	....	....	....	....
″ 1st g & col tr gt 5s ser B.1934	12,537,000	F & A	69½	Apr. 29,'05	72⅝	69½	1,828,000
″ ″ registered............	....	F & A	....	....	....	....	....
Continental Coal 1st s. f. gtd. 5's..1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's 1926	1,588,000	J & D	105½	Oct. 10,'98	....	....	....
″ 2d g. 5 s..................1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal&Coke 1st g.5's 1951	3,000,000	J & J	106½	Apr. 18,'05	106½	106½	1,000
Pleasant Valley Coal 1st g. s.f.5s.1928	1,131,000	J & J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts.Cl&Ir.Co.pur my5's.1946	1,064,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's..1912	335,000	J & D	....	....	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's..1951	3,526,000	J & J	98½	Apr. 24,'05	99	98	55,000
{ ″ Tenn. div. 1st g. 6's......1917	1,160,000	A & O	111	Jan. 12,'05	....	....	....
″ Birmingh. div. 1st con. 6's 1917	3,603,000	J & J	112	Apr. 19,'05	112	111¾	23,000
Cahaba Coal M. Co.. 1st gtd. g. 6's 1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&I Co. gtd. g. 6's 1910	2,716,500	F & A	103½	Apr. 14,'05	103½	103½	1,000
Utah Fuel Co. 1st s. f. g. 5's......1931	853,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's...1949	6,335,000	M & S	88¾	Apr. 28,'05	90½	88¾	99,000
GAS & ELECTRIC LIGHT CO. BONDS.							
Atlanta Gas Light Co. 1st g. 5's..1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union GasCo. 1st con g. 5's.1945	14,493,000	M & N	118	Apr. 27,'05	118	116⅝	22,000
Buffalo Gas Co. 1st g. 5's.........1947	5,900,000	A & O	69	Apr. 29,'05	69	66	17,000
Columbus Gas Co., 1st g. 5's......1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
ConsolidatedGasCo., con.deb.6's..1909	19,857,500	J & J	178	Apr. 28,'05	181	177	174,500
Detroit City Gas Co. g. 5's.......1923	5,608,000	J & J	101½	Apr. 15,'05	101½	101¼	21,000
Detroit Gas Co. 1st con.g.5's.....1918	381,000	F & A	105	June 2,'03	....	....	....
Eq. G. L. Co. of N.Y. 1st con.g.5's.1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec. of Bergen Co. c.g.5s.1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. del. g. 3½'s 1942	2,049,400	F & A	89½	Apr. 7,'05	89½	89½	3,000
Grand Rapids G. L. Co. 1st g.5's.1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's....1949	10,290,000	M & N	109½	Feb. 10,'05	....	....	....
Kansas City Mo. Gas Co. 1st g 5's.1922	3,750,000	A & O	100	Oct. 18,'04	....	....	....
Kings Co. Elec. L.&Power g. 5's..1937	2,500,000	A & O	....	....	....	....	....
} ″ purchase money 6's....1997	5,010,000	J & J	128¼	Mar. 24,'05	....	....	....
} Edison El.Ill.Bkln 1st con.g.4's.1939	4,375,000	J & J	94½	Apr. 28,'05	94½	94½	3,000
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	} 10,000,000	Q F	109¾	Apr. 28,'05	109¾	109¼	20,000
″ small bonds.................	}						
″ refdg. & exten 1st g.5s.1934	5,000,000	A & O	106½	Jan. 27,'05	....	....	....
Milwaukee Gas Light Co. 1st 4's..1927	7,000,000	M & N	92¼	Jan. 21,'05	....	....	....
Newark Cons. Gas, con. g. 5's....1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y.GasEL.H&PCo1stcol tr g 5's.1948	} 15,000,000	J & D	111	Apr. 29,'05	111½	111	21,000
{ ″ registered....................	}	J & D	110¼	Dec. 30,'04	....	....	....
″ purchase mny col tr g 4's.1949	20,927,000	F & A	93	Apr. 29,'05	94¼	93	83,000
Edison El. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	103¾	Apr. 6,'05	104	103¾	14,000
″ 1st con. g. 5's............1995	2,156,000	J & J	119½	Apr. 19,'05	119½	119½	10,000
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's 1930	2,272,000	F & A	106	Mar. 29,'05	....	....	....
N.Y.& RichmondGasCo.1st g. 5's.1921	1,000,000	M & N	100	Mar. 15,'04	....	....	....
Paterson&Pas. G.&E. con.g.5's..1949	3,317,000	M & S	....	....	....	....	....
{ Peo. Gas & C. C. 1st con. g 6's...1943	4,900,000	A & O	123⅝	Apr. 11,'05	123½	123⅝	2,000
″ refunding g. 5's........1947	} 2,500,000	M & S	109	Apr. 15,'05	109	108¼	19,000
″ refuding registered....	}	M & S	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	APRIL SALES. *High*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
Chic.Gas Lt&Coke 1st gtd g.5's.1937	10,000,000	J & J	109⅛	Apr. 14,'05	109⅛	108¾	16,000
Con. Gas Co.Chic. 1st gtd.g.5's.1936	4,346,000	J & D	109¼	Apr. 4,'05	109¼	109¼	5,000
Eq.Gas&Fuel,Chic.1stgtd.g.6's.1905	2,000,000	J & J	102	Apr. 6,'05	102	102	6,000
MutualFuelGasCo.1stgtd.g.5's.1947	5,000,000	M & N	107⅛	Apr. 25,'05	107⅛	107⅛	16,000
" registered..	....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g.5's..1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g.5's.1949	1,500,000	M & S	110⅝	Mar. 27,'05	....	....	....
Utica Elec. L. & P. 1st s. f'd g.5's.1950	1,000,000	J & J	....	....	...	....	....
Westchester Lighting Co. g. 5's.1950	5,350,000	J & D	118	Jan. 31,'05	....	....	....
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	43,000,000	J & J	98⅛	Apr. 29,'05	98⅛	98	60,000
Commercial Cable Co. 1st g. 4's.2397.	10,051,100	Q & J	92	Dec. 17,'04	....	....	....
" registered		Q & J	100½	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g.5's.1918	1,823,000	M & N	109¾	June22,'04	....	....	....
" registered		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	111⅝	Apr. 26,'05	111½	111⅝	18,000
" fundg & real estate g.4½'s.1950	20,000,000	M & N	107⅝	Apr. 28,'05	107⅝	106½	72,000
Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	110¼	Mar. 25,'04	....	....	....
Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	103	July 26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1905. *High.*	YEAR 1905. *Low.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
United States con. 2's registered...1930	542,909,950	Q J	104⅞	104⅝	104⅞	104⅝	11,000
" con. 2's coupon...........1930		Q J	105⅝	104¾	104⅛	104¾	21,000
" con. 2's reg. small bonds..1930		Q J	104⅝	104⅝	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered..........1908-18	77,135,300	Q F	104¾	103⅞	104¾	104¾	2,000
" 3's coupon.............1908-18		Q F	106	104	106	106	1,000
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908-18		Q F	....	....	....	....	......
" 4's registered..............1907	156,591,500	J A J&O	105½	104½	104½	104½	2,000
" 4's coupon.................1907		J A J&O	105⅞	104¾	105¼	104¾	43,800
" 4's registered..............1925	118,489,900	Q F	....	....	....	....	......
" 4's coupon..................1925		Q F	133	133	....	....	......
District of Columbia 3-65's...........1924	14,224,100	F & A	....	....	....	....	......
" small bonds....................		F & A	....	....	....	....	......
" registered.....................		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914-34	7,000,000	Q F	110	109⅛	....	....	......
STATE SECURITIES.							
Alabama Class A 4 and 5..............1906	6,859,000	J & J	101½	101½	....	....	......
" " small............	....	......	....	....	....	....	......
" Class B 5's....................1906	575,000	J & J	....	....	....	....	......
" Class C 4's....................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's................1914	10,752,800	J & J	....	....	....	....	......
" " small bonds..........							
North Carolina con. 4's................1910	3,397,350	J & J	....	....	....	....	......
" small........................		J & J	....	....	....	....	......
" 6's............................1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds.......1866 1900	556,500	J & J	....	....	....	....	......
" " 1868-1898		A & O	....	....	....	....	......
" new bonds............1892-1898	624,000	J & J	....	....	....	....	......
" "		A & O	....	....	....	....	......
" Chatham R. R..................	1,200,000	A & O	....	....	....	....	......
" special tax Class 1.............	....	A & O	....	....	....	....	......
" " Class 2............	....	A & O	....	....	....	....	......
" " to Western N. C. R....	....	A & O	....	....	....	....	......
" " Western R. R.........	....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R.........	....	A & O	....	....	....	....	......
" " Western & Tar. R......	....	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

NAME. *Principal Due.*	*Amount..*	*Int'st paid.*	YEAR 1905. *High.*	YEAR 1905. *Low.*	APRIL SALES. *High.*	APRIL SALES. *Low.*	APRIL SALES. *Total.*
South Carolina 4½'s 20-40.............1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde. 1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's........1913	6,681,000	J & J	96¼	96	96¼	96	3,000
" registered.....................	6,079,000	J & J	....	....	....	....	......
" small bond.....................	362,200	J & J	95	95	....	....	......
" redemption 4's........... 1907	469,000	A & O	....	....	....	....	......
" 4½s.........................1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s.........1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of...........1991	17,087,009	J & J	97⅛	97	....	....	......
" registered.....................		J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871	2,274,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871.....	10,416,565	....	13⅝	10	12	10	50,000
FOREIGN GOVERNMENT SECURITIES.							
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1......1901	14,776,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.							
Imperial Japanese Gov. 6% ster loan. 1911	£10,000,000	A & O	103½	94½	103½	97½	1,814,000
Imperial Russian Gov. State 4% Rente....	2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.							
Quebec 5's...........................1908	3,000,000	M & N	....	....	....	....	......
Republic of Cuba g. 5's extern debt. 1904	35,000,000	M & S	108	103¼	105⅝	104½	170,500
" registered.....................		M & S	...	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's....................	....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200.........................	£21,988,200	......	101⅛	100	100¼	100⅛	32,000
Small bonds denominations of £20	....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.	....	......	....	....	...	....	......

ADDITIONAL BANKING NEWS.

Portland, Ore.—The First National Bank, one of the oldest and largest banks on the Pacific Coast, shows in its statement of March 14 the following: Capital, $500,000; surplus and undivided profits, $1,005,571; deposits (individual, bank and U. S.), $9,257,100.

There are now forty-five employees in the service of the bank, and they are furnished with luncheon at the bank's restaurant. The First National has a building of its own, occupying the entire ground floor. Officers of the bank are: President, A. L. Mills; Cashier, J. W. Newkirk; Assistant Cashier, W. C. Alvord; 2d Assistant Cashier, B. F. Stevens.

Tacoma, Wash.—The Puget Sound Savings Bank reports the following officers: President, D. S. Garlick; Vice-President, M. A. Sutton; Cashier, George Tibbits. Mr. Garlick, prior to his election as President in January last, was for fourteen years Cashier of the bank. J. B. Sutton, formerly President, died in October of last year.

Seattle, Wash.—A new building, twelve stories in height, is being erected for the American Savings Bank and Trust Co. The structure will be of modern architecture, and will be ready for occupancy November 1. The bank will occupy the first floor, and the basement will be fitted up with safety deposit vaults and boxes.

—The Scandinavian-American Bank has recently located in its new banking quarters in the Alaska Building, a fourteen-story structure just completed. Not only are the banking rooms furnished with the latest and best equipment, but much additional space is available, three times, in fact, that which was afforded by the quarters formerly occupied.

Salt Lake City, Utah.—The Wells Fargo & Co. Bank, one of the oldest banks in the State, was sold recently to Walker Bros.

PATTEN'S PRACTICAL BANKING.—The table of contents is unusually complete and the subjects are treated as a practical and entertaining bank Cashier might be expected to treat them. This is another book that should be in every bank library in Indiana.—*Indianapolis Commercial-Reporter.*

BANKERS' OBITUARY RECORD.

Abbott.—J. Harry Abbott, Manager of the Royal Bank of Canada, at Amherst, Nova Scotia, died April 9.

Bloodworth.—Herbert R. Bloodworth, Cashier of the Atlanta (Ga.) National Bank, died March 30, aged thirty-nine years. Mr. Bloodworth had been with the bank for eighteen years, and had worked his way up from a subordinate position to the office of Cashier.

Braman.—William A. Braman, President of the Elyria (Ohio) Savings and Banking Co., died April 12, aged sixty-nine years. He was formerly a member of the Ohio Legislature.

Brunner.—William E. Brunner, President of the Palmyra (Pa.) Bank and the Jonestown (Pa.) Bank, died April 11, aged seventy years.

Crumbaugh.—J. T. Crumbaugh, who had been engaged in banking at Leroy, Ill., for thirty years, died April 3, aged seventy-three years.

Farrar.—George W. Farrar, President of the Peterborough (N. H.) Savings Bank, and a director of the First National Bank of Peterborough, died April 18, aged seventy-three years. Mr. Farrar was born at Temple, N. H., and in early life removed to Greenfield, where he learned the trade of blacksmith. In 1866 he located at Peterborough and established the business of manufacturing carriages and general blacksmith work, which he conducted successfully to the time of his death.

Gruendike.—Jacob Gruendike, President of the First National Bank, San Diego, Cal., died April 8. He was eighty years of age at the time of his death and had been prominent in business affairs at San Diego for a quarter of a century.

Knowles.—Geo. W. Knowles, a member of the banking firm of H. P. Knowles & Co., and formerly sheriff of Wayne County, N. Y., died April 4, aged sixty-nine years.

Leet.—Frank M. Leet died April 8. He was Cashier of the Commercial Bank, Audubon, Iowa; President of the First National Bank, Exira, Iowa; President of the Farmers' Exchange Bank, Gray, Iowa, and President of the German Savings Bank, Manning, Iowa.

Loofbourrow.—Glenn Loofbourrow, Cashier of the First National Bank, Mount Sterling, Ohio, died April 4.

Luetchford.—Arthur Luetchford, Secretary and Treasurer of the Mechanics' Savings Bank, Rochester, N. Y., died April 12.

Martin.—Charles Martin, President of the Petaluma (Cal.) National Bank, the Marin County Bank, of San Rafael, and a director of the Hill Bank, of Petaluma and the Swiss-American Bank, San Francisco, died April 11, aged seventy-five years and five months. He was a native of Switzerland, but had lived in California since 1852, being engaged in mining there until 1856. He left a large fortune at his death.

McNeer.—J. W. McNeer, Cashier of the Bank of Union, West Va., died April 10.

Owens.—Owen E. Owens, President of the Oneida County Savings Bank, Rome, N. Y., died April 13. He was born at Trenton Falls, N. Y., November 11, 1826. In 1861 he was appointed postmaster by President Lincoln. Later he held the office of superintendent of the poor. In 1875 he removed to Rome, becoming a trustee of the Oneida County Savings Bank in 1879, and in 1892 he was chosen President of the bank.

Phipps.—J. Selden Phipps, Cashier of the City National, Berlin, N. H., died April 3. He had filled a number of responsible local offices, and had also been a member of the Legislature. He was one of the founders of the bank of which he was Cashier.

Pratt.—Gilbert W. Pratt, President of the Pasadena (Cal.) National Bank, treasurer of the board of trade and a progressive citizen and business man, died April 7. He was born at Taunton, Mass., seventy-two years ago. For thirty-five years he was in charge of the Lonsdale (R. I.) Mills. For the last four and one-half years he had resided at Pasadena. Becoming Vice-President of the Pasadena National Bank, he was about a year ago elected President of that institution.

Reuter.—Peter Reuter, President of the Bank of Kaukauna, Wis., died recently, aged sixty-seven years. He had been a resident of Wisconsin since 1847.

Shaw.—C. N. Shaw, owner of the Worthington (Ind.) Exchange Bank, died April 10, aged seventy years.

Tomlinson.—E. E. Tomlinson, Vice-President of the First National Bank, Sulphur Springs, Texas, for the past sixteen years, died April 10.

Torrey.—Charles Torrey, President of the Boylston National Bank, Boston, died April 9, aged seventy-nine years.

THE

BANKERS' MAGAZINE

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-NINTH YEAR. | JUNE, 1905. | VOLUME LXX, No. 6.

THE JAPANESE NAVAL VICTORY over the Russian fleet has renewed the talk of peace. Although Russia might prolong the conflict indefinitely, the advantage in doing so is not apparent. On the contrary, if things go on as they have done almost uninterruptedly since the war began, her resources will be seriously crippled by a prolongation of the struggle.

Japan's ultimate triumph would perhaps have occasioned no surprise among capable and unprejudiced observers; but that the great European Empire should make such a complete and pitiable exhibition of weakness and inefficiency was hardly expected in any quarter. Even the confident Japanese must have been astounded at the failure of the Russian fleet to offer any effectual resistance.

The disasters of the Russians on the sea have been duplicated by their land reverses, and Japan is virtually in possession of a large part of the territory coveted by her enemy, and with free sea communication now assured can rapidly move forward troops and supplies. While the land forces of Russia may be re-enforced and supplied so long as railway communication is not destroyed, the distance from the base renders the task much more difficult than it is for Japan. This fact, coupled with the reverses already sustained and the relative inefficiency of Russia's fighting power, would seem to be sufficient to admonish the Czar to sue for peace.

Ever since the war began fears have been current that other nations besides those directly concerned would be drawn into the combat. These fears will not be dissipated until the peace compact is finally arranged. In the late war between China and Japan, it was held by many that the latter power was deprived by European intervention of the full fruits of victory. In fact, Japan has practically had to fight that conflict over again, though with a different and more

powerful foe. This time the Mikado is in a position to enforce compliance with his demands.

There is still danger, however, should Japan impose a heavy indemnity on Russia, either in the form of cash or by demanding a cession of territory, that some of the European governments may attempt intervention. Possibly, some of the countries having interests in the Far East, while prudently refraining from taking part so long as actual fighting was in progress, will make a strong showing when the spoils of war come to be apportioned. It may be surmised, also, that Japan's enormous increase in international prestige will not be universally regarded with satisfaction. The nations that have been longing to begin the parcelling out of China among themselves will not relish the proximity of such a powerful defender of oriental supremacy as Japan has shown herself to be. It is hoped, however, that peace may be speedily concluded on a basis that will tend to assure the tranquillity of the world for many years to come.

JAPAN'S REMARKABLE VICTORIES both on sea and land have exhibited in a striking light the value of preparedness and efficiency. It might almost be said of war as "Hamlet" said of death: "If it be not now, yet it will come: the readiness is all." And so in other emergencies, the consciousness of being always ready is a source of the greatest strength. In the daily work of the shop, the office or the bank, the man who is well equipped, not alone for the requirements of to-day, but for those of to-morrow, and for those of a future still more remote, is the one whose success is best assured.

No one interested in the progress of the Japanese people can have failed to observe their preparation not alone for war but for advancement in industry and trade. They are pre-eminently a nation of students, doubtless possessing confidence in themselves, yet preserving the attitude of those willing to gain useful lessons from the experience of others and showing remarkable aptitude in making a practical application of the knowledge thus gained. Coming into the great international family of modern notions at a comparatively recent date, Japan has been able to avail herself of the latest and ripest fruits of human endeavor, selecting that which was best and avoiding the dangers that arise from a slavish adherence to ancient methods. Even in her form of government, while not wholly uprooting cherished traditions, a system was adopted that gave fair scope for the exercise of progressive ideas, thereby enlisting the brightest minds in the service of the Empire. The results of the conflict thus far have em-

phasized in a striking way the results of autocratic government and those of a more liberal form. If the Russian Government had been more susceptible to the influences of popular opinion the war might never have been begun or at least postoned until the nation was ready for it. Great advantage has been on the side of Japan, apparently, because of the enthusiasm of the troops and sailors, and the seeming lack of spirit on the part of the Russians. That there was much personal courage and grim resolution among the latter cannot be doubted. But if reports are to be believed there has not been that spirit and dash which have made the Japanese such formidable antagonists.

It is claimed that one explanation of Japan's victorious campaigns is due to the fact that money appropriated for the army and navy is expended without any appreciable loss from what has come to be known as "graft." Thus every dollar is made effective. It is contended, on the other hand, that much of the money nominally expended by Russia in carrying on the war has gone into the pockets of those favored by the beauracracy in control of the political machinery of the country. Without proper means of verification, it would be unjust to the Government of Russia to assume the correctness of this view. If it should be proven true, however, it would be well for other nations, including the United States, to scrutinize their expenditures closely and ascertain whether there is any ground for a criticism like that aimed at the Government of Russia. The toleration of anything of this kind is the beginning of national decay, and the forerunner of national dissolution.

THE RELATIONS OF BANKS TO SPECULATION were brought prominently into view by a notable event of last month. In this particular instance there was a misuse of the bank's funds in speculative transactions, which of course was wholly indefensible. But when this occurrence is used as an argument against banks lending their funds to be used in speculation, a different problem is presented. The term speculation is also open to more than one construction, its primary meaning being little different from that conveyed by the word trade. If, however, the significance of the word be restricted to include only those enterprises that are hazardous, difficulties still present themselves. Perhaps there are few undertakings deemed worthier of banking assistance than the production and marketing of the crops and the ordinary food staples. Yet the crops may be entirely ruined by an unfavorable season. The farmer who sows wheat or plants corn, expecting to raise a marketable

crop, is a speculator just as much as a stock broker who buys stock in the expectation of a rise. Not only is the farmer speculating with very uncertain elements which he is powerless to control, but he not infrequently multiplies the chance of loss by planting a large area to a particular crop, believing that the demand will be such as to insure a substantial profit. Often this belief proves wholly illusory. But because the seasons are unpropitious and crops fail, or the farmer's judgment is at fault in imperfectly calculating the market demand at a certain time, it cannot be said that the banks should withhold accommodations to agriculture.

Coming to the more outright forms of speculation, such as dealing in grain futures and speculating in railway and industrial shares, opinions differ as to the propriety of such transactions. The practical question the banks have to determine is not whether such speculation shall be permitted, but only whether the loans made by the banks for such purposes are properly secured. As a matter of fact, loans of this kind are usually based upon adequate collateral, and are of the safest character, perhaps for the reason that the hazardous nature of the business of speculation requires that loans made to speculators shall be more fully secured than those made for ordinary business transactions. Loans of the former character are not only as a rule fully secured by a pledge of securities, but they are generally repayable on demand.

When speculative dealings, however, are carried beyond prudent limits to an extent likely to engender distrust and final disaster, there can be no question as to the duty of the banks to check such operations.

THE USE OF BANKING FUNDS in various ways opens up an interesting field of discussion. Those who believe all speculation immoral are logical in demanding that banks shall not aid speculation; but in applying a rule of this kind great care would have to be exercised in discriminating between those undertakings which are speculative and those which are not.

Other applications of this theory of the responsibilities of banks present themselves. It is contended that wars would be a practical impossibility were it not for the financial support derived from banks; and this is perhaps true. Doubtless the advocates of prohibition could also show that the liquor traffic would be greatly hampered if the banks refused to make loans to any one engaged in it.

Probably as regards these various matters the banks merely follow public opinion. They can hardly be expected to prevent speculation, to abolish war, or inaugurate prohibition. Regulation of these mat-

ters is not within the legitimate domain of banking. So long as the people do not condemn these things, the banks cannot be blamed for lending them financial assistance. But those entrusted with the management of banks can not be too firm in keeping the funds of their institutions absolutely clear of speculative risks, to insist at all times on adequate security, to restrict speculation within close limits, and to refuse to lend their support to unsound, illegal and immoral enterprises. This is a task large enough for most bank officers, without imposing upon them the obligations that should be performed by Congress or the State Legislatures.

Whatever differences of opinion may prevail therefore regarding speculation itself, one thing is plain: that bank officers and employees and the funds of the banks should in nowise be mixed up in speculation. If loans are made to outside speculators such security ought to be required as will render the bank free from any risk whatever. No doubt the real danger lies in the disposition of some bankers to become involved in enterprises that partake more or less of a speculative character, and even where there is no intended wrongful use of the funds of the bank, loss is likely to result through overconfidence or biased judgment.

COMPTROLLER RIDGELY, in an address delivered at a dinner of the Bank Cashiers of Massachusetts, given in Boston on the evening of May 10, not only condemned speculative banking, but went much further. Among other things, he said:

"The ruin of a bank is practically always the result of fraud or the use of its funds in undue and unlawful amount by its officers and directors. This money is sometimes lost in legitimate enterprises, through bad judgment and mismanagement, but far the most frequent cause for actual stealing or defalcations in banks is speculation. It is speculation which is the curse of the day, which tempts so many men beyond their endurance. No man should be made President or Cashier or managing officer of a bank or trust company who does not expect to make it his sole business, and should be so paid for his whole time and attention that he need have no outside interests which shall divide his allegiance or attention. He should have no connection with outside enterprises which require large amounts of the bank's funds. Above all, he should under no circumstances be allowed to use his position in the bank or its credit and influence to finance and promote outside enterprises from which he is to derive a profit personally instead of the bank."

If all Presidents, Cashiers or other managing officers of banks in the United States were required to give their sole attention to the banks with

which they are connected, the rule would in practice not only work considerable personal hardship but would deprive the banks of some of the finest business talent in the country.

Outside of the larger cities there are few Presidents who can well afford to sacrifice their personal business interests in order to give the banks their sole attention. The man who would be found willing to do so would probably as a rule be of much less value to the bank than the more active business man.

It should not be lost sight of also that the bank President who is in active commercial business is in closer touch with his dealers than a purely professional banker can be. The knowledge thus gained is often of incalculable value to the bank. As was stated by JAMES H. WILLOCK, President of the Second National Bank of Pittsburgh, in commenting on the Comptroller's address:

"I do not believe in speculation. I am the largest stockholder of the bank, and I watch it as closely as I would the dearest possession of my heart. I am naturally anxious to protect it, and my position in various business concerns enables me to do it in a way I could not otherwise do. I know who borrows here. I know the value of their security, and about them. I gain that knowledge by retaining an active interest in business entirely apart from the bank. That is the only way in which it can be done."

Very likely the chief cause why some bank Presidents make improper use of the funds of their institutions to promote their own enterprises is due to the fact that quite often the entire management is under the control of one man. His authority is overshadowing, and he virtually decides on his own applications for loans, the other directors giving a purely perfunctory assent.

If the same rigid and impartial tests of the security offered by Presidents or other officers were applied as is done in the case of other loans, the ground for the Comptroller's criticism would shortly disappear. The real difficulty is not that bankers engage in other business, but that they improperly use the bank's funds to carry on their undertakings; or, in other words, that the directors of the bank abdicate their functions and trust everything to the President. Comptroller RIDGELY realizes that the directors should not be allowed to plead ignorance in such cases, and he is making a strong effort to bring the delinquent ones to a proper realization of their duties.

THE FIVE PER CENT. REDEMPTION FUND which National banks are required to maintain with the Redemption Agency at Washington for redeeming their circulating notes now amounts to $21,460,000. In an-

other part of this issue a correspondent inquires if this amount is not larger than necessary. With the notes secured as they are by their face value in bonds of the United States, not to mention other safeguards, there would seem to be no reason whatever for a redemption fund to provide for the final payment of the notes, as the Government would only have to sell the bonds to recoup itself for paying the notes. It is conceivable, of course—though not probable—that the bonds might go below par, but in that case there is ample security for the notes. Besides, the percentage of circulation sent in for redemption at any time would be but a small part of the bank's total issue. But even if the bonds should fall below par and the Government itself be compelled to meet the notes, this would be, in effect, nothing more than the Government redeeming its own obligations at their face value.

While there is no apparent necessity for the maintenance of the redemption fund as security for the final payment of the notes, the question whether the amount kept for that purpose is greater than is needed to provide for the current redemption of the notes is a practical one for the Comptroller's decision. Light could be thrown on this problem by the banks giving their experience as to how frequently they are called on to replenish the fund.

During the year ending October 31, 1904, circulating notes of National banks to the amount of $274,777,278 were delivered to the National Bank Redemption Agency for redemption, of which amount $99,047,325 being in good condition were returned to the banks of issue, $143,799,170 were redeemed and destroyed, new notes being issued therefor, and $31,930,783 notes of reducing, insolvent and liquidating banks were redeemed and destroyed and not reissued. The notes received for current redemption for the portion of the present fiscal year which had elapsed May 31, amounted to $279,514,023, or at the rate of over $25,000,000 a month. If the entire fund is turned over once a month, it would seem to indicate that it is not much too large.

The act of 1864 required National banks in certain cities to keep on hand a reserve of twenty-five per cent. of their circulation and deposits; other banks were required to keep fifteen per cent. But the National Bank Act of June 20, 1874, abolished this reserve so far as it applied to circulation, making it applicable to deposits only. In lieu of the reserve on their circulation which banks were formerly required to keep on hand, they were by the act of 1874 required to have and keep on hand at all times on deposit with the Treasury of the United States in lawful money of the United States a sum equal to five per cent. of their circulation, to be held and used for the redemption of such circulation. It was further provided that this fund should be counted as part of the lawful reserve

the banks are required to hold against deposits. This five per cent. fund, to an amount not exceeding five per cent. of the circulation of the bank, is allowed to protect deposits. In the twenty-five per cent. reserve cities it will protect four times, and in other banks six and two-thirds times its own amount of deposits. Thus the fund is far from being idle.

If the banks should be freed from the obligation of maintaining this fund, all they would gain would be the small amount of interest they could earn from the time their notes were redeemed until they were compelled to reimburse the Treasury.

So far as ultimate security is concerned there would seem to be no good reason for the existence of this fund; but considering the growth in the volume of circulation and the increasing frequency of redemptions, and the further fact that the fund is counted as a reserve on deposits, the amount of the fund is perhaps not too great. Besides, if no fund, or even a much smaller one, were maintained, the delay of the banks through oversight or other causes in providing the cash for redeeming their notes might prove embarrassing in subjecting the banks to possible criticism.

THE TRUST COMPANY LAWS of the various States have been collated by Mr. HERRICK and summarized in the series of articles on "The Organization and Management of Trust Companies," now running in the MAGAZINE. This issue contains the final installment of the laws.

Generally speaking, the laws relating to trust companies seem to have been carefully drawn with a view to affording protection to the clients of these institutions. In a few of the States but little attention has been given to the matter of trust company legislation. As the profitable character of the business done by these companies becomes more widely known, it may be expected that such organizations will spring into being all over the country. It is important that they be formed and conducted under regulations insuring that the high reputation for safety heretofore made and now generally prevailing shall be maintained in every State. A sentiment favorable to this view was manifest at the last annual meeting of the American Bankers' Association. While it may be doubted, considering the vast area of the country and the diversity of conditions, whether a uniform law for trust companies would be desirable, there can be no question as to the wisdom of requiring that adequate safeguards should everywhere be thrown around the business. That has been done already in most of the States, with the very best results.

With the rapid increase of wealth seeking investment, the field for the profitable operation of trust companies will gradually extend to all sections of the United States. The laws of the States where trust com-

panies are now most numerous appear to have insured practically absolute security, while affording ample scope for profitable business. While there should be no relaxation of the stringent laws which experience has shown to be required in the interests of safety, it would nevertheless be unfortunate if the growth of trust companies within the proper sphere of their operations were unnecessarily restricted by legislation.

Mr. HERRICK's compilation of the laws relating to trust companies will form an excellent means of comparing the laws of the different States, affording a guide for future legislation on the subject.

A RISE OF PRICES is indicated by the "Bulletin of the Bureau of Labor," recently issued, giving the course of wholesale prices from 1890 to 1904. Comparison is made with the high prices of 1890 and 1891, and it is shown that in 1904 prices were generally much higher than they were at the previous high period.

Of the 249 commodities for which prices were secured for the whole period from 1890 to 1904, 187 show an increase, two show the same price as for the base period, and sixty show a decrease. Of the 187 commodities that showed an increase in 1904 over the average for 1890 to 1899, fifty-two advanced less than ten per cent., seventy-three advanced from ten to twenty-five per cent., forty-seven advanced from twenty-five to fifty per cent., and fifteen advanced from fifty to 100 per cent. Of the sixty commodities which showed a decrease, forty decreased less than ten per cent., nine decreased from ten to twenty-five per cent., and eleven decreased from twenty-five to fifty per cent.

In taking the years from 1890 to 1899 as a base, an era of low prices is included, setting in about 1893 and continuing until 1897, and this is liable to give an exaggerated impression of the advance in prices. The comparisons stated above would seem to show a very marked rise, and this is true taking the whole period—including the era of abnormally low prices; but we find that the average prices of all commodities combined in 1904 was but 0.1 per cent. higher than in 1890, 1.2 per cent. higher than in 1891, and 6.5 per cent. higher than in 1892. With 1893 the difference becomes more marked, prices having been in 1904 7.0 per cent. higher than in 1893, 17.6 per cent. higher than in 1894, 20.7 per cent. higher than in 1895, 25.0 per cent. higher than in 1896, 26.0 per cent. higher than in 1897, 21.0 per cent. higher than in 1898, 11.1 per cent. higher than in 1899, 2.3 per cent higher than in 1900, 4.1 per cent. higher than in 1901, 0.1 per cent. higher than in 1902, and 0.5 per cent. lower than in 1903.

Whether high prices are regarded as a blessing or the reverse, depends

to some extent upon the point of view. If people were divided into buyers and sellers, it would be easy to guess what the opinions of each class would be. Certain classes now produce no consumable commodities like cloth or food, and doubtless from their narrow standpoint they would favor low prices. But it is not indisputable that this would be an unmixed blessing. If the farmer can not sell his products at a profit, he is unable to compensate the doctor, the lawyer or the parson. Broadly speaking, however, most men are both buyers and sellers. While the farmer grows many of the products to supply his table with food and the fibres from which cloth is made, he no longer converts the fibre into cloth or the latter into finished apparel. The cotton-grower would like to get the highest possible price for his cotton, while the manufacturer would be interested in buying it at a low price. When the finished manufactured article comes to be sold to the farmer, the situation will be reversed, the latter desiring to buy at a low price and the manufacturer seeking to obtain all he can get. It would not require a great deal of investigation to show that the matter is not so one-sided as it appears to the respective persons concerned, but that both will be injured if prices are excessively high or ruinously low.

There is a great deal of complaint heard at the present time from those living on incomes more or less fixed, that the cost of living is higher than for many years. This complaint does not seem without some foundation. While wages have undoubtedly risen, perhaps they have not risen commensurately with the prices of commodities. Or what is still more possible, the long continued period of prosperity has dulled recollection of the lean years and fostered a scale of living much in advance of that which formerly prevailed.

Whatever may be the view taken regarding the present range of prices, he who would wish to see a return of the era of low prices such as existed in the United States from 1895 to 1898 (and to some extent for a longer period) would not achieve popularity by expressing such a desire.

THE CAUSE OF HIGHER PRICES is not extensively considered in the report. Possibly the tendency of the population to concentrate in towns and cities may be having some effect in creating a disproportion between producers and consumers. This would explain a rise in farm products but it might be expected to have a contrary effect on articles of manufacture, not by changing the number of consumers but by increasing the number of producers. Improved methods, better machinery and increased efficiency of employees would counteract this tendency to some extent.

It is not improbable that the trusts may have had considerable to do with keeping up the level of prices, a conclusion which is supported by the fact that fuel and lighting, which are largely monopolies, showed an

increase of 26.6 per cent. in 1904 over the prices in 1890. This is by far the largest increase shown in any of the groups of commodities under consideration.

The growth in the volume of money and of paper substitutes for money has perhaps had a considerable effect on prices. Not only has there been an enormous gain in the country's stock of gold, but the National bank note circulation has reached the highest point in its history. In 1890 the outstanding circulation was $123,000,000 while now it exceeds $430,000,-000. With the issue of bonds for constructing the Panama Canal, the circulation may be added to considerably. The safety of the bank notes and all other forms of the currency is unquestioned, but whether the volume is redundant to an extent that prices would be inflated thereby can not be said with any degree of positiveness. From a theoretical standpoint it would be desirable that all full legal-tender money should be gold, with paper, including bank notes, redeemable in gold. The basis for note issues should have a more direct relation to the business of the country than the fluctuations in the supply and prices of Government bonds.

Regardless of whether high or low prices are desirable, artificial influences should be removed in so far as possible.

Trust company failures have been comparatively rare, which perhaps accounts for the attention given to the recent suspension of the Merchants' Trust Company, of New York, as the institution was of relatively small importance. But the failure has called attention to the fact that trust companies are not exempt from the penalties that follow hard upon the violation of the principles of sound financial management.

This company seems to have gone heavily into street railway and other securities, as an investor, guarantor or lender, with unfortunate results. If the company had done a large banking business, or if the suspension had been due to a run by its depositors, the failure might be used to show that trust companies should not do a banking business, or that they should keep larger reserves. Whatever may be said in favor of these two propositions, neither of them receives particular support from the closing of the Merchants' Trust Company.

On the other hand, the difficulties in which the company became involved serve to emphasize the necessity of other similar institutions avoiding risks of the character that wrecked the Merchants' Trust Company. If it is the duty of a bank to keep its funds clear of speculative ventures, certainly a trust company ought to be under equal obligations to preserve its assets intact from alliance with promotion enterprises. That this view is held and acted upon by most of the trust companies,

can not be doubted. It will be found, as a rule, that where trust companies have failed, it has been due to a departure from this principle.

Where a trust company becomes interested as an investor in securities which it guarantees, impartial judgment of the value of the obligations is hardly to be expected. The only safe rule in acting as guarantor is to require absolute security; or if risks are to be taken, they should be assumed by a company with adequate capital, and the deposits should be wholly free from any participation in such undertakings.

Although there have not been many failures of trust companies, the peculiar relations these institutions sustain to their patrons render them exceptionally sensitive to the influences that engender distrust. A single failure of even a small institution will therefore prabably have an effect greater than its real importance warrants.

There has been some criticism of the Banking Department for failing to close the Merchants' Trust Company at an earlier date; but doubtless the Superintendent acted on his best judgment in endeavoring to nurse the institution back to health. A like course is frequently pursued with the National banks, and often with success. There has been some suggestion that this failure might have been prevented, or at least its effects mitigated, if the laws had been otherwise than they are. But it is probable that no law, however strict, could have greatly altered the result in this case.

The record made by the trust companies of the State of New York is one of which any class of financial institutions might well feel proud, and this fact is emphasized by the infrequent and minor failures that have occurred.

MUNICIPAL MISRULE has received a severe check in Philadelphia by the apparently complete overthrow of a plan to dispose of the lighting franchises in a way that was highly objectionable to the majority of the people. Perhaps in no city in the country is there a political power so firmly entrenched as the ruling element has been in Philadelphia for many years. So great was the contempt of this element for public opinion, that when there were protests against granting the franchises in question, they were regarded in a purely humorous light. But it was soon found that the public conscience had become thoroughly aroused, and the powers heretofore controlling the city, often with little seeming regard for the interests of the people, were compelled to yield to the popular demands.

Pessimists are fond of pointing to the faults of our city governments as convincing evidence of the growth of political corruption which it is practically impossible to check. But the experience of

Mr. FOLK in St. Louis and of Mayor WEAVER in Philadelphia shows that there is little ground for such a conclusion. With an honest and vigorous leader, backed by sound public opinion, there is no political oligarchy so firmly established that its supporters cannot be speedily and completely overthrown.

Critics of corporations have also assumed that evils of such enormous magnitude have been developed by some of these organizations that they can be eradicated only by a resort to government ownership. In such matters it will be found, no doubt, as in politics that the immeasurable corrective power of a sound public opinion will prove irresistible. The strength which in a popular form of government rests in the hands of the people is so overwhelming that it cannot be safely defied either by individuals or corporations. Whatever evils are allowed to develop and flourish owe their immunity from attack to the inertia of the masses. But as the property of inertia in matter applies to bodies in motion as well as to those at rest, so when the people are once thoroughly aroused to action their energies are likely to continue to manifest themselves, and in a way not very comforting to those who seek to profit by financial trickery or political corruption.

The means of redressing injuries and reforming abuses are so numerous under our form of government, that there is no justification either for a weak surrender to the foes of society or for trying the hazardous experiments of State or municipal ownership.

THE FRANCHISE TAX LAW passed by the Legislature of the State of New York in 1899 on the recommendation of Mr. ROOSEVELT, then Governor, has been upheld by a recent unanimous decision of the Supreme Court of the United States, Justice BREWER delivering the opinion. Under the law the special franchises of corporations, such as railway and lighting companies, by which they were given authority to occupy and use certain streets, laying tracks, wires, pipes, etc., were made taxable as real estate. Objection was made to the law by the corporations on the ground that it impaired the obligation of contracts, inasmuch as in paying for the franchise itself immunity from further taxation was thereby purchased; and it was also contended that certain corporations were denied the equal protection of the laws, as the Legislature had relieved the New York city subway of this special tax. In the State courts the validity of the law was sustained, and these decisions have now received the sanction of the United States Supreme Court.

In the opinion rendered by Mr. Justice BREWER it is declared that the contract entered into between the State and the corporations concerned

when the respective franchises were granted was nothing more than the granting of a privilege for which a payment was made, but that this payment did not relieve the corporations from the liability of being taxed in the future if the Legislature saw fit, nor was the neglect of the Legislature to impose such a tax at an earlier date any bar to a subsequent imposition of the tax, but was rather a fortunate circumstance for the corporations. As to the contention that there was inequality in permitting the New York city subway to escape the tax, it was held that the differences between this railway and those occupying the surface of the streets were such as to justify the exemption.

This decision is an important one, New York city already having claims against the corporations for unpaid taxes amounting to about $25,-000,000. It is also of greater importance in establishing a principle that will tend to keep the class of corporations affected under reasonable public control. As was shown in the case of State bank notes, the power to tax is also the power to destroy; and while no such radical course is either necessary or desirable in the present instance, the decision of the United States Supreme Court has placed in the hands of the States a weapon that may be used in compelling quasi-public corporations to bear a due share of the burdens of government. The effectual regulation of corporations of the kind mentioned will be facilitated by the decision. Possibly the States may in some instances abuse the authority which the Supreme Court has declared to exist and attempt a policy approximating confiscation. There is, of course, no warrant in the decision for such proceedings, and the courts may be expected to prove as vigorous in checking a movement of this kind as they have been thus far in establishing the right of the State to impose a reasonable tax.

To some extent a feeling seems to be prevalent that the great corporations have grown so powerful as to be able to defy both the State and Federal governments. The decision of the United States Supreme Court in the New York special franchise tax cases does not sustain this view.

THE BANKERS' CONVENTIONS held during the past month illustrate afresh the value of these organizations. Their educational work is of great benefit, and through their instrumentality many desirable reforms have been effected in the laws relating to commercial paper and banking. The full and free discussion of other matters of practical interest to bankers, followed by united action, has also resulted in much good. There is a growing manifestation of interest in these associations, and their activities are becoming of increasing importance to the banks directly, and indirectly to the business interests of the country.

TRUST COMPANIES—THEIR ORGANIZATION, GROWTH AND MANAGEMENT.*

STATE STATUTES RELATING TO TRUST COMPANIES.—*Cont'd.*

TEXAS.

Until the present year, the Constitution of this State forbade the chartering of corporations with banking privileges (Constitution of 1876, article 16, § 16). The constitutional restriction having been removed, on May 11, 1905, the Legislature passed a bill authorizing the formation of State banks and trust companies, which is to become operative August 11, 1905. A summary of this bill will be given in the next number of the BANKERS' MAGAZINE. The statutory provisions under which trust companies in the State are now operating are found in chapter 127 of the Acts of 1903, same being the amended reading of section 37, article 642, Revised Statutes of 1895.

Powers specified: To act as trustee, assignee, executor, administrator, guardian or receiver, "when designated by any person, corporation or court so to do;" to do a general fiduciary and depository business; to do a fidelity insurance business; to act as surety on bonds and to guarantee contracts or undertakings; to act as executor and testamentary guardian when designated as such by decedents, or to act as administrator or guardian when appointed by any court having jurisdiction. Such corporations may act as sole surety on bonds of executors, administrators or guardians. But they may not serve as surety upon any bond of any State or county official in this State. Such corporations must publish in a newspaper in the county, on the first day of February of each year, a statement of condition on the previous 31st of December; and a copy of such statement must be filed with the Commissioner of Insurance, Statistics and History, to whom must be paid a fee of $25 for filing same. This official has power to examine such companies at any time. Guaranty and fidelity companies organized under the provisions of this section must have a paid-up capital of not less than $100,000, and must keep on deposit with the State Treasurer money, bonds or other securities approved by the Commissioner of Agriculture, Insurance, Statistics and History, in an amount not less than $50,000. Corporations organized to exercise the above-named powers are organized in the same manner and governed by the same general laws as other corporations for profit. Corporations are also created by special acts of the Legislature.

UTAH.

"Loan, trust and guaranty associations" may be incorporated by three or more persons in the same manner as other corporations for pecuniary profit; and are governed by the provisions of chapters 1 and 2, title 2, concerning corporations, except as in this chapter otherwise provided.

* Publication of this series of articles was begun in the January, 1904, issue of the MAGAZINE, page 81.

Powers specified: To do a title insurance business; to act as assignees, agents, receivers, guardians of the estates of minors and incompetent persons, to act as executors and administrators; "to execute trusts of every description not inconsistent with law;" to become sole security in cases where by law one or more sureties may be required; "to buy, sell or mortgage real estate or personal property, to loan money on real estate security or otherwise, to sell and assign mortgages and endorse negotiable instruments, and to make, execute and deliver bonds, promissory notes and bills of exchange;" to receive deposits of money; provided that, if such associations shall receive commercial or savings deposits, the liability of stockholders and the restrictions concerning the lending of its funds shall be the same as those for commercial or Savings banks respectively; to act as security for the faithful performance of any contract; to do a fidelity insurance business; but nothing in this chapter shall be construed as dispensing with the approval of such association as security by the court, officer or individual charged by law with the duty of approving such security. When acting under fiduciary appointments the capital of the corporation shall be held as security for the faithful performance of duty, and no bond for such purpose shall be required of it. The capital, paid up, must be at least $25,000, and in cities of the first class at least $100,000. The capital must be kept in money on hand, or on deposit in solvent banks, or invested in bonds of the United States or of this State, or of any county, municipality or school district thereof, or in first mortgages on real estate situated in Utah, worth at least twice the amount loaned thereon. Such corporations are under the same provisions regarding reports as banking corporations. They must make to the Secretary of State not less than four reports each year, according to the form prescribed by him, and on his call. The Secretary has power to call for special reports. If satisfied that a company is insolvent, the Secretary may, through the Attorney-General, apply to the district court for the appointment of a receiver.

(Statutes, title 2, chapter 6, §§ 423–430; chapter 2, §§ 388–391; chapters 1 and 2, passim.)

VERMONT.

Trust companies are incorporated only by special acts of the Legislature. The general laws regulating and restricting trust companies are quite numerous, most of them applying to Savings banks as well as trust companies, the two classes of institutions being placed under much the same regulations. The officers must be sworn to the faithful performance of their duties, and the amount of bond required of the Treasurer is specified in the statutes. Such companies must make an annual report as of June 30, to the Inspector of Finance. The items to be covered in the reports are set forth in the statutes, and are very full. When deposits are made in trust, the name and residence of the person for whom the deposit is made must be disclosed. Minors are entitled to control of deposits made by them. Provision is made for the report of all accounts inactive for ten years. In 1898, and every fifth year thereafter, the pass-books must be called in and be verified and be examined by an outsider approved by the Inspector of Finance. No investment of the capital, surplus and deposits may be made in mortgages, except in first mortgages on unencumbered real estate to an amount not greater than three-fifths of the cash value thereof. Not less than one-sixth of the amount of such

mortgages shall be upon real estate in this State, and not more than seventy per centum of the assets shall be invested in mortgages; provided that not more than fifty per centum of such assets shall be invested in mortgages on real estate outside of this State. No mortgage investments may be made except on the written approval of three of the trustees or of the members of the board of investment. Five per centum of the deposits may be invested in a lot and building, and part of the premises may be rented for revenue. No loans or investments on personal security may be made except upon at least two approved names, not less than two of whom reside in the State or within fifty miles of the office of the company. Such loans may not be for more than one year. Not over one-third of the assets may be invested in personal securities. The statutes provide that with the foregoing exceptions, deposits may be invested "only as follows;" then is given in much detail a list of securities, which include United States bonds, municipal bonds of specified States, National bank stocks in certain States and cities, banks and trust companies in Vermont, school district bonds in certain States, State bonds, and notes with any of the foregoing as collateral. But the company shall not hold, either as investments or as collateral, more than ten per centum of the capital of any one bank, nor invest more than ten per centum of its deposits or more than $35,000 of its deposits in the stock of any one bank. And all such investments and loans may not exceed one-fourth of its deposits. It shall not loan to any one person, firm or corporation more than five per centum of its deposits, nor more than $30,000; nor shall such loans be greater than $10,000 until the deposits equal $1,000,000; after which the loans may be increased one per centum of the deposits in excess of $1,000,000. "But this section shall not apply to United States bonds or municipal bonds, or to notes with such bonds as collateral." No loans may be made to officers, directors or employees without the written consent of a majority of the directors, and then not to an amount greater than five per centum of the paid capital. But the discount of *bona fide* bills of exchange drawn against existing values, and the discount of commercial or business paper actually owned by such director, etc., to an amount not greater than $10,000 shall not be prohibited by this article. The company may not loan on its own stock as collateral.

The stockholders are subject to double liability. Trust companies may deposit on call with banks, banking associations or trust companies in Vermont, or in New York, Boston, Chicago, Albany, Philadelphia or Concord, N. H., or in any other legal designated depository under the laws of the United States, or in National banks in St. Paul, Minneapolis and Kansas City, with or without interest, sums not exceeding in the aggregate twenty per centum of their assets. They may hold real estate acquired by foreclosure or in settlement of debts due them; but such real estate must be sold as soon as a reasonable price can be obtained, and at any rate within five years; and the Inspector of Finance may at any time order the sale within ninety days of particular pieces of such real estate. The Inspector of Finance must examine such companies annually or oftener. If the Treasurer or a Cashier of a trust company is also an officer of a National bank, or if the latter is in the same office or building, the Inspector of Finance shall examine such trust company annually at the same time as the United States Examiner examines the National bank. If unsafe conditions are revealed, he shall proceed

against the company as if it were insolvent. The powers and restrictions of all trust companies are enlarged or abridged to conform to this chapter, their charters to the contrary notwithstanding.

A trust company must pay to the State Treasurer, in semi-annual intallments in February and August, a tax at the rate of seven-tenths of one per centum annually upon the average amount of its deposits, including money or securities received as trustee under order of court or otherwise, deducting therefrom the average amount, if any, of its capital and accumulations invested in United States bonds, and the amount, if any, of individual deposits in excess of $1,500 each, listed to the depositors in towns of this State where such depositors reside. No other taxes shall be assessed against deposits or depositors on account thereof, except on individual deposits exceeding in the aggregate $1,500.

Any trust company incorporated in this State may act as administrator, executor, receiver, assignee, trustee, guardian of any person, subject to guardianship, "under the same circumstances, in the same manner, and subject to the same control by the court having jurisdiction, as in the case of a natural person legally qualified." The capital, surplus and stockholders' liability are held as security for the faithful performance of duties of this character, and no surety shall be required upon bonds filed by the company, unless required by the court. Trust property and moneys must be kept separate from the assets of the company, and are not liable for its debts. In addition to the examinations above-mentioned, the Inspector of Finance may make such further examinations as he sees fit, and must make them when requested by the court having jurisdiction.

(Revised Statutes, 1894, §§ 4067–4131, *passim*; §§ 583 and 584. Acts 1896, Nos. 17 and 80. Acts, 1900, Nos. 53 and 54. Acts, 1902, No. 72.)

VIRGINIA.

Trust companies in this State are incorporated by special acts of the Legislature, the special charters so granted specifying their powers and limitations. There are very few general statutes relating to such companies, and these apply mainly to foreign companies. "No guaranty, trust, indemnity, fidelity or other company, having for its purpose to become security for the faithful performance of any trust or to become fiduciary," shall do business in this State until it complies with this act. It must appoint and maintain an agent residing in Richmond, upon whom process can be served. Every foreign company must give bond to the Auditor of Public Accounts, with two or more sureties to be approved by him, in a sum not less than $1,000 nor more than $5,000, with conditions to make returns and pay taxes. Both foreign and domestic companies shall deliver, under oath, to the Treasurer of State, a statement of the amount of the capital stock, and deposit with him bonds of the State of Virginia, or of the United States, or bonds of the cities of Richmond, Petersburg, Lynchburg, Norfolk, Portsmouth, Roanoke, Alexandria, Danville or Newport News, to an amount equal to five per centum of said capital, assigned to him in trust; but the cash values of same need not be greater than $25,000, and may not be less than $12,500. The company gets the income of these securities so long as it meets its trust obligations, and may substitute other similar securities from time to time. The resident agent of the company must deposit with the Auditor of Public Accounts a copy of

the company's charter, a statement of its capital and manner of its investment, etc., and must annually render to him a statement which must be published in a Richmond newspaper. The Auditor must annually examine these statements. He may also at any time examine into the affairs of "any company incorporated by, or doing business in, this State." If unsafe conditions are revealed, he may revoke the certificate of authority issued to the company, and publish such action.

(Supplement to the Code, 1898, title 18, chapter 53, § 1286c. Laws of 1902, chapter 342.)

WASHINGTON.

Seven or more persons may incorporate a trust company. The name of the company must contain the word "trust," and other corporations are forbidden to use the word in their titles. Capital required: at least $25,000 in cities of less than 10,000 population; at least $50,000 in cities of from 10,000 to 25,000 population, and at least $100,000 in larger cities, paid in full, and divided into shares of $100 each. A certificate of organization must be filed with the county auditor and with the Secretary of State.

Powers specified: to act as fiscal or transfer agent or registrar, and as agent for any corporation, foreign or domestic, for any purpose required by statute or otherwise; to receive deposits of trust moneys, securities and other personal property from persons or corporations; to loan money on real or personal securities; to discount and negotiate promissory notes, drafts, bills of exchange and other evidences of debt; to buy, sell and exchange coin and bullion; to hold all real estate necessary for, and convenient in, the transaction of its business, or which the purposes of the corporation may require, and such as is required in satisfaction of debts due to it; to act as trustee under mortgages and bond issues, "and to accept and execute any other municipal or corporate trust not inconsistent with the laws of this State;" to execute trusts for married women in respect to their separate property, and to act as agent in the management of same or in business relative thereto; to act as guardian, receiver or trustee of the estate of any minor, and as depository of any moneys paid into court; to execute any legal trusts and powers regarding the management of any estate, real or personal, confided to it by any court of record, person, corporation, municipality or other authority, and to hold property that may be the subject of any such trust; to purchase, invest in and sell stocks, promissory notes, bills of exchange, bonds, debentures and mortgages and other securities; to issue its bonds or obligations for money borrowed or received on deposit or for investment; to act as assignee or trustee under an assignment, or as receiver; to act as executor, administrator, or guardian of the estate of lunatics, idiots, persons of unsound mind and habitual drunkards; to do a safe deposit business; to collect income on securities as agent; to receive and manage a sinking fund for any corporation; "generally to execute trusts of every description not inconsistent with the laws of this State or of the United States; to receive money on deposit, subject to check or otherwise."

The affairs of every such corporation shall be managed by a board of directors, not less than seven nor more than thirty in number, each of whom must own ten shares of stock. They shall be divided into three classes so that the terms of office of one-third of the board will expire each year, each member then serving three years. Directors must take an oath of office.

Trust companies may not loan to their officers, stockholders or employees from trust funds. They may not loan on the security of their own stock; nor purchase same except to prevent loss on a debt previously contracted in good faith. They must make to the Secretary of State not less than two reports each year, according to forms which may be prescribed by him; such reports to be rendered as of any past day specified by the Secretary at his call. An abstract of the reports must be published in a local newspaper. The Secretary may call for special reports at his discretion. Trust companies are subject to the inspection and supervision of the Secretary of State, and it is his duty to examine them whenever he deems it expedient. If unsafe conditions are found, he must notify the Attorney-General, and may take immediate possesion of the company pending the proceedings instituted by the Attorney-General, or until a receiver is appointed. Stockholders are liable only to the extent of their stock holdings. Deposits made by minors are subject to their control.

(Laws, 1903, pp. 367–376. Corporation Laws, §§ 194–210.)

West Virginia.

Trust companies are organized according to provisions of the general incorporation laws, and governed by the provisions of the "Title and Trust Company" law.

Powers specified: to do a title insurance business; to buy, sell, hold and guarantee bonds, stocks, loans and evidences of indebtedness, and to make and execute contracts and agreements required therefor; to engage in a general banking business, with all the incidental powers necessary thereto; as to such banking business, trust companies are subject to the banking laws, except that there shall be no limit to the maximum of paid-up capital that such companies may have; to do a safe deposit business; to act as trustee, assignee, receiver (general or special), guardian, executor, administrator, special commissioner, committee or curator; to execute trusts of every description not inconsistent with the constitution of this State or of the United States; to receive deposits of money or other personal property, and issue its obligations therefor; to invest its funds in and to purchase real and personal securities, and to loan money on real and personal securities; to act as fiscal or transfer agent or registrar; to purchase and sell or take charge of real estate for other persons, firms or corporations; for the purpose of indemnifying and saving harmless any company for making any loans, or accommodations, such company is authorized to receive and hold on deposit and in trust, as security, estates, real and personal, including the notes, bonds and obligations of States, counties or municipal corporations, individuals, firms or corporations, and the same to purchase, collect and adjust, settle and dispose of, in case of default upon any note or obligation for which such property has been received as indemnity, or as collateral security, without proceedings at law or in equity. Courts appointing such companies to trusts may, in their discretion, on the application of any persons interested, investigate the affairs of trust companies so appointed. Trust funds and investments must be kept separate from the assets of the company, and all investments made by the company as fiduciary must be so designated as to show to what trusts they belong. The capital of such companies shall be taken and considered as the sole security required by law for

the faithful performance of duties in trust capacities; provided, that, where the liability of the company in any trust capacity equals or exceeds the capital and surplus, the court making such appointment, or order or decree, shall require additional security.

The capital of such companies must be at least $100,000 fully paid. Such companies shall not act as surety on bonds, or do a fidelity insurance business, except as above specified. Trust companies are subject to the supervision of the Commissioner of Banking, by whom they must be examined once a year.

(As amended and re-enacted by Acts of 1903, chapter 7.)

Wisconsin.

Five or more persons may incorporate "as a trust, annuity, guaranty, safe deposit and security company." Capital required, not less than $50,000 in cities of less than 100,000 population, and not less than $100,000 in larger cities. Maximum limit, $5,000,000; $50,000 must be paid in before beginning business, and the balance within six months. All the general provisions of chapters 86 and 87 relating to corporations apply to such companies. Within six months after beginning business, such companies shall deposit with the State Treasurer not less than fifty per centum of the capital nor more than $100,000 in amount. Such deposit shall be in cash, bonds or mortgages, or notes and mortgages on unincumbered real estate within this State worth double the amount secured thereby, or public stocks and bonds of the United States or of any State of the United States that has not defaulted on its principal or interest within ten years, or of any county, town, village or city in this State, and upon all which bonds and other securities there shall have been no default in the payment of interest or principal for a longer period than thirty days. This deposit shall be held as security for the depositors and creditors of said corporation, and for the faithful performance of the trusts undertaken by it. Other securities may be substituted from time to time; and the company shall receive the income of the securities. Such companies shall be managed by a board of five or more directors, each of whom must own ten shares of stock.

Their specified powers are: to receive, hold or dispose of any property, real or personal, conveyed to them upon any trust, by any persons, including married women, minors, bodies corporate or any court, and to execute any trusts regarding same; to act as agents for the transaction of business, management of estates, collection of income or principal, etc.; to act as registrar, fiscal or transfer agent; to act as executor, administrator, trustee, receiver, assignee, guardian of minors, persons insane or incompetent, lunatics, or any persons subject to guardianship; courts are authorized to make such appointments; no security shall be required of the company other than the deposit with the State, except in the discretion of the court; to loan on real or personal security; to do a safe deposit business; to act as surety for fiduciaries; to exercise all of the powers usually exercised by trust companies. Such companies are forbidden to buy or sell bank exchange or do a banking business. Married women and minors may control their deposits. Such companies may hold real estate needed to carry on their business and execute trusts committed to them, and such as may be necessary in the enforcement of claims, etc. Trust funds may be invested in the same classes of securities as those in which the deposit with the State Treasurer may be invested, or

in such real or personal securities as the directors may deem proper. Trust companies must, on or before March 1 of each year, pay to the State Treasurer a license fee of $300; and in addition a tax of two per centum on their net income during the calendar year preceding. Such payment shall be in lieu of all other taxes, except upon real estate owned by the company. They must make reports of condition to the Secretary of State annually, on the first Monday in January. The circuit court may at any time, upon application, authorize any person under its direction to examine trust companies and report to it.

A complete banking act was adopted by the Legislature of this State in 1903 (Laws of 1903, chapters 234 and 429), but it does not mention trust companies, and seems not to apply to them.

(Sanborn and Berryman's Wisconsin Statutes, 1898, §§ 1791d–1791i.)

WYOMING.

Loan and trust companies may be incorporated by five or more persons. The capital, which "must be subscribed for as full-paid stock," must be at least $10,000 in towns of less than 1,000 inhabitants, at least $25,000 in towns from 1,000 to 2,000 inhabitants; at least $50,000 in towns of from 2,000 to 5,000 inhabitants; and at least $100,000 in cities of over 5,000 inhabitants. Fifty per centum of the capital must be paid in before commencing business, and the balance within six months. The shares must be $100 each.

Powers specified: to exercise the ordinary powers of corporations; to buy, sell and discount bills of exchange, notes and all other evidences of debt, buy and sell gold and silver coin and bullion, receive deposits and pay out same either upon order or check; to "execute any trusts which may be created by instruments in writing; such instrument may appoint such association trustee for any lawful purpose, and to act as such trustee in all matters embraced in such trust;" to do a safe deposit business; to collect income of securities left for safe keeping; to execute and issue in the transaction of its business all necessary receipts, bonds and contracts. Such companies may hold such real estate as is necessary to carry on their business, as well as such as is acquired in the settlement of claims. The board of directors is authorized to invest the capital and such money as is received from persons or associations for investment, "in good securities; and it shall be lawful for such association to make investments of its capital and of funds accumulated by its business, and moneys received from other persons and associations, for investment as aforesaid, or any part thereof, in bonds and mortgages on unincumbered real estate and chattel property worth at least double the amount loaned, and also in any and all warrants and bonds of this State or any other State or Territory or of the United States, or the bonds and warrants of any county, city, town, or school district of this State legally authorized to issue such warrants or bonds."

Such companies must maintain a reserve of twenty-five per centum of their liabilities to depositors, which reserve shall consist of cash on hand or on demand deposit with State or National banks approved by the State Examiner as reserve agents. Such a corporation may mortgage its real or personal property and pledge or hypothecate its notes, mortgages and other securities, and guarantee payment of the same, to persons or corporations furnishing it money. Stockholders are subject to double liability. A section of the statutes which forbade such companies to receive deposits subject to check, and to buy commercial paper, etc., was repealed in 1903.

(Revised Statutes, 1899, division 2, title 4, chapter 2, §§ 3085, 3086, 3128–3139. Laws of 1903, page 59. Act of February 20, 1903.)

CLAY HERRICK.

(To be continued.)

A PRACTICAL TREATISE ON BANKING AND COMMERCE.

INTERNAL ECONOMY OF A JOINT-STOCK BANK.

THE GENERAL MANAGER.

The office of General Manager is the last stage in the evolution of the government of a joint-stock bank, so far as officers are concerned. The work only arises when a bank has arrived at the stage of development where the bank has many branches, each with a Manager at the head of it. To supervise all these subordinate Managers, to give them directions from time to time, and to make all their operations harmonize with the working of the bank as a whole under the directors, is the duty of the General Manager. The title implies not merely that he has heads of departments under him—for that the Manager of a single office has—but that he has Managers under him, each of whom has the control and responsibility of his own office. The position of General Manager is somewhat analogous to that of an admiral of a fleet, which fleet consists of a number of ships, each being under the command of a captain who is supreme in his own sphere. The first and second officers in such a ship will take their directions from the captain, while he in turn is subject to the order of the admiral. The admiral himself is subject, as to matters of general policy, to the Government. It is the admiral, however, who is looked to to insure success in the operations of the fleet. If these operations are successful the honor is his; if unsuccessful, the disgrace of failure appertains to him. The analogy between this and the functions of a General Manager is very close. He is a servant of a board of directors who are entrusted by law with functions of government. But for actual and effectual carrying out of these functions they are largely dependent upon the General Manager. He gives them advice both as to matters of general policy and as to the details of operations. This advice they may take or refuse at their pleasure. They may modify it, suggest changes, or, if they think well, reject it. This they have the power to do. But to reject entirely the advice of a professional banker in any matter of importance, involves responsibility, and directors will scarcely take such a step unless for very good reasons. This, certainly, should only occur rarely in practice, for to be often rejecting the advice of a General Manager would be a sure indication for the necessity of a change. His position with regard to the Managers under him is one of undisputed authority. It is to him they look for direction as to the course

of the business of the branch. And his orders they must obey. Otherwise there would be danger of serious mischief to the bank as a whole. For branch Managers to fancy they can appeal to the board against a General Manager's directions would speedily bring about a dislocation of the whole business. Each branch Manager is supreme in his own sphere. To him his officers look for directions, and his orders they must obey.

There may, of course, arise extraordinary circumstances in which this order of things is set aside, but the foregoing must be taken as ordinary practice.

To understand properly the responsibilities of a General Manager it is needful that the powers and functions of each branch of the bank should be understood. Every individual branch carries the full powers and responsibilities of the bank within itself. To the general public and to the body of customers, the "branch" is the *bank*. For every dollar of money deposited in the branch the whole bank is responsible. For every engagement to lend money or to transmit money the bank is responsible. This is the strength of the branch system so far as the public is concerned. But there is a reverse side. For every failure in these respects the whole bank is responsible. If at a certain branch, even the least, there were a failure to perform any of the engagements it had entered into, the whole bank would be discredited. It is under these circumstances—and they press upon him constantly—that a General Manager exercises the functions of his office. These functions may be summed up in one sentence. It is his business to see that every branch during every day is properly equipped and managed; that it has a sufficient and immediately available supply of money of every kind for the wants of customers and the public; that the money lent at the branch is lent safely and according to directions; that the bills discounted are good bills; that the securities taken for loans are according to law; that delinquent customers are sharply looked after; that proper men are appointed to the various departments; that the accounts are properly kept; that proper statements of the business are forwarded to be laid before the directors and to be reported to the Government, and, finally, that the cash on hand always corresponds with the amount shown in the books.

This is a large line of responsibilities, but they, every one, fall upon a General Manager day by day. It is to enable him to fulfill them that he requires a staff of officers whose duties are of an entirely different description from any that have been named hitherto. The work of a General Manager is this:

1. A work of supervision.
2. A work of audit.
3. A work of control.

To enable him to perform these functions he has in his department:

An Assistant General Manager.

An inspector and officers under him.

A chief accountant and officers under him.

A secretary with officers under him.

In addition to these will be an officer in charge of the stock registers and dividends. The most important officer in the department is

The Inspector.

This officer is usually a man of considerable banking experience, and he has generally been a branch Manager. He visits the branches and makes a perfect audit of the accounts and examination of the cash and securities. The time of the inspector's visits is confidentially arranged with the General Manager, so that his arrival may not be anticipated and prepared for. For if it were, the object of the visit would be frustrated.

In former days, when practical banking was not so well understood, and no officer was set apart to the work of inspection, it was customary for the President to make a tour of the branches, taking an accountant with him to assist in the details of the inspection. But so little was thought of the importance of secrecy in these visits that it was generally known throughout the branches that the President was on his annual tour and might shortly be expected. It was even sometimes mentioned as an item in the daily papers. Of course, in that condition of things preparation was made for his visit. It is known to the writer that on an occasion of this kind the Manager in a large city branch was actually advised that the Vice-President of the bank would be visiting the city shortly and would take the opportunity of examining his branch. At that very time great irregularities were occurring in the management, improper loans to a large amount being carried on by overdrafts, and false statements sent week by week to the head office to conceal them. The Manager being apprised of the approaching visit, took the pains to transfer all the current accounts to a new ledger and managed, by borrowing checks and concocting fraudulent entries, to make the irregular account appear correct. The visit took place, the books were balanced, the account were examined, and all was reported in order. Shortly afterwards, circumstances transpired which rendered further concealment impossible. The Manager came to the head office of the bank and made a confession to the directors, though he did not confess all. A trained officer was at once sent down to make examination. The whole machinery of fraud was then brought to light, and the Manager's trick exposed of a new ledger being opened long before the old one was filled up, and bogus checks credited to the fraudulent account. This case is referred to in a subsequent chapter on frauds, but it is noticed here to show the folly of the old inspecting system.

The importance of the audit and examination by an inspector will be evi-

dent when it is considered that it is by reports and statements from the branches that the whole bank is governed. It is only by summarizing these statements that a General Manager can know, for example, whether the law with regard to circulation is being complied with, or whether the bank as a whole is holding adequate reserves of cash and available funds. It is by statements from branches that the head office can judge whether they are doing sound business and following the lines laid down for the government of Managers. *Yet he can not know that the statements are correct except by actual examination on the spot.* Whether there actually is so much cash at a certain branch as is represented, whether the bills discounted are secured as they are reported to be, whether the loans are really endorsed or guaranteed by the parties whose names are entered in the lists, these and many other important matters can only be proved by actual examination. An inspection, therefore, is of vital importance. No General Manager and no board can be on sure ground with regard to the business of any branch until an inspection has been made. But to be of value the inspection must be thorough. An inspection carelessly made is more dangerous than none at all, for it lulls into a false security.

A case once came under the writer's notice of a weak Manager, having allowed some of the securities for an important account to lapse, and being afraid to confess, went on reporting advances to be covered as before. The supposed endorsers were good beyond doubt and, according to the statements rendered, the account was working satisfactorily. But when the office was examined the inspector failed to notice that the names of the supposed endorsers were not on the paper. They had in fact withdrawn their names, having a well-founded suspicion that the party was not doing well. This, however, the inspector failed to notice. The head office being lulled into a false security, the account went on as accounts usually do. The advances increased considerably, but the business was reported as enlarging and the customer as prospering, and the endorsements made the account perfectly safe—*apparently.*

But a subsequent examination of the office revealed the fraud. Twice before, the inspecting officer had failed to notice it, but he discovered the real position at last. The bank, instead of advances well secured, had no security at all; the customer's affairs were in a bad condition; he had been going from bad to worse ever since the endorsements were withdrawn, and was utterly bankrupt. Now, had the false statements of the Manager been discovered at the first examination, the account would have been stopped before much mischief had been done; the customer would have failed, but the bank would have made but a small loss. As it was, the loss finally sustained was sufficient to wipe out all the profits of the branch for years.

The inspector's business is therefore one of *verification.* Examinations

must be made down to the minutest detail. In counting bundles of notes, for example, an inspector must not make a cursory handling of each bundle, but must handle every note. He must not excuse himself from this minute examination by thinking, "Oh, it is impossible that such a Manager or such a teller as this can be wrong." The very reason of his office, and the work he has to do, is to *prove that they are not.* If Managers and tellers had never done wrong, and never could be guilty of irregularities and frauds, there would be no need for inspections at all. In law every man is considered innocent until he is proved guilty. The inspector who does his work thoroughly will proceed on the assumption that everything is wrong until he has proved it to be right. He will be specially careful in examining cash to guard against a mode of manipulations by which a parcel can be handed him twice over. This has been done to the writer's knowledge and a shortage covered up thereby. In examining the checks on hand he will be careful to notice any indication that they have been *borrowed.* This too has been done and inspections passed successfully when large shortages existed at that very time.*

It is important in making examinations to notice any slight irregularities and probe them to the bottom, for a very trifling irregularity may be a key to the discovery of numbers of others extending back, perhaps, for months

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*A sad revelation of fraud of this sort transpired in a branch office of an important bank many years ago. The senior teller was a man highly respected in the community. He had long held his position, which was an unusually good one. It was, in fact, more like that of an Assistant Manager than a teller. He occupied a beautiful place in the outskirts of the city, and his pretty pony carriage was well known to the habitués of the streets. But one day a rumor got about that there was something wrong with his cash, that he had been suspended; then, soon after, that he had been dismissed. It proved to be too true. His face was seen no more in the bank and his pony carriage disappeared from the streets; his effects were sold and he left the city never to return. The truth gradually leaked out. A considerable shortage was discovered in his cash. Whether it was ever made good the author is unaware, but it is an undoubted fact that the shortage had been going on for a considerable time, and that the office had been inspected more than once whilst it existed. It then became known to bankers in the city that the teller had observed most carefully the movements of the inspecting officer and had succeeded more than once in ascertaining very nearly when a visit might be expected. In preparation for this he had on each occasion borrowed checks from his friends in the mercantile community, of whom he had many, which checks were counted in amongst his cash when examined. It so passed muster. The checks were of course never presented. This, however, can not often be repeated. The resource finally failed him and discovery followed.

Upon this case a remark or two may be made. The Manager should certainly have noticed the style in which his officer was living. His salary would not have allowed him to occupy such a cottage with grounds and to keep a pony carriage. This tendency to overspending should therefore have been checked at the outset, in which case all the subsequent sad developments might have been prevented. It should be said in addition that it is almost certain that there was some looseness in the style in which the inspections were carried on, otherwise the shortage would have been discovered at an earlier stage.

and even years. For example, the books of a certain branch on being examined by an inspector were found to be irregularly balanced. This was a key to irregularities that had been going on almost from the day the branch was opened. It is within the writer's knowledge that these books required to be checked over again from the very opening of the branch and much of them absolutely rewritten. The final result of this was that after the irregularities had been rectified, the Manager, who was of course dismissed, had to make good a defalcation of between seven and eight thousand dollars. In this case, if the inspection had been loose and inefficient the irregularities would certainly have gone on for many months longer, and the deficit have grown to much larger proportions. It should be noted that the reports and statements made to head office from this branch were always in order. No amount of attention there could have resulted in the discovery. But discovery immediately resulted upon an inspection on the spot. Yet there was no anterior reason why there should be more suspicion of this branch than of any other, for the Manager, though not a practical banker, was a man of high standing in the community, and was able from his own resources to make good the deficiency.

This audit and examination is a sufficiently onerous business in itself to occupy all the attention that any man can give to it. In the examination of the teller's department all his care and vigilance will be needed to ensure that the cash, including checks and cash items, is exactly as has been represented. It has been known that a teller by clever sleight-of-hand succeeded in passing off a bundle of notes twice when his cash was being taken over by a successor. The examination of the discounting department is a far more difficult and laborious matter, for here he should not confine himself to the mere checking of the amount of each bill and noting whether the total agrees with the books, but ascertain *whether every bill is in legal form, properly drawn and endorsed*, proper authority being held for such as are signed by officers of corporations; and also that proper vouchers have been received for all the bills remitted for collection. It is also his business, as has been shown, to see that the securities for loans are really as has been represented to head office.

But when an inspector goes beyond this business of verification and expresses opinions upon the soundness and goodness of the names or the safety or otherwise of the discounts of the office, he is going beyond his province. For in this case he is conveying not information but simply opinions, for the formation of which he has only had slender opportunities. An inspector visits a branch only at long intervals, and can not possibly have the materials for forming a judgment as to the goodness and soundness of the borrowing customers themselves. It is his business to see that the various securities are *there*, or that, if sent away, there are proper vouchers for them, and also,

what should never be overlooked, that they are exactly as they have been represented to head office. But when he not only certifies of the existence of bills and securities, but makes reports upon their soundness or value, he raises two questions: one, as to where he gets his information, and the other as to the soundness of his judgment. As to information, in almost every case he will get it from the Manager. His report, therefore, will be a mere echo of the Manager's opinion, and therefore of no value whatever as a check. As to soundness of judgment, that is a quality not always possessed by an inspector. It has been known that an inspector who was a keen and vigilant examining officer was lamentably deficient in judgment as to the standing of merchants. To suggest to head office that the advances to a certain customer were not on a good foundation because they fluctuated so much, or that, in considering the position of a certain firm, if certain assets were left out they could not be considered solvent, was not calculated to enhance the value of an inspector's opinion. Yet both instances have occurred in banking practice. There can be no doubt, therefore, that for a General Manager to get into a habit of relying on the *opinions* and judgment of an inspector as to the soundness of the advances at branches, is dangerous. The value of an inspector's work is when he reports what he has seen, and communicates to a General Manager what the latter can not otherwise know; such, for example, as that such and such an account is a very inactive one, or that in another case the deposit account of such a customer showed him to be constantly short of money.

It is generally placed upon the inspector to report upon the *officers* of the branch. But here again he should only report as to what comes under his own observation. He can see how an officer does his work during an inspection, and how the books in his charge have been kept; also whether he makes out statements quickly, and, in the case of a teller, whether he is accurate and courteous in attending to customers. But to express an opinion as to the general value of an officer, and whether he is worthy of promotion or otherwise, is to go beyond his province, for in the course of a few days he cannot have sufficient opportunities of observation to enable him to form an opinion that could safely be acted upon.

Above all things the error must be avoided of allowing an inspector to give orders and directions to Managers. That is the business of the General Manager alone. If an inspector is allowed to do this, there will be the proverbial danger of having "two masters" whom it is impossible to serve. It is only when the office of inspector is held by an Assistant General Manager, as it sometimes is, that orders and directions can properly be given by him. But in that case the orders are given invariably by the officer as Assistant General Manager, not as inspector.

In the case of an inspector the old saying applies, *Quis custos custodies?*

Who is to inspect the inspector? Who is to see whether he is attentive, efficient and reliable? It may be thought that the directors are the persons to do this. But the work can only be properly performed by a professional banker, and the proper officer to examine the inspector's work is the General Manager.

Directors sometimes conceive that an inspector should be independent of the General Manager, and that his reports should be a check upon his superior officer. And it has been known that an inspector has endeavored to work himself into that position. But it would be dangerous, indeed, for directors to listen to such overtures, for, if carried out, such a course would introduce an element of anarchy and confusion into the business. There would soon come to be two governing officers—two heads—each having independent authority, but the one more in the confidence of the directors than the other. There would inevitably be friction in that case, conflicting ideas of management would be introduced, contradictory directions could not fail to be given to Managers of branches. These officers would soon discover the real state of things, and ascertain *whose* directions they were to follow. This would naturally be the officer who was in the confidence of the board.

To put the case in concrete form: The General Manager would, for example, give directions that such and such an account was to be handled carefully, and on no account to exceed the limit fixed. The inspector, however, might say at his next visit that the account was a very satisfactory one to the board, and that close restriction was not desirable. The branch Manager, therefore, being placed between two fires, would lose all sense of responsibility to head office, and as he could not please both his superiors he would try to please the customer. The General Manager, under such a state of things, will come to be a mere "figurehead," having no more controlling power than a secretary.

This is not a fanciful sketch of what might be, but a description of what has actually occurred; anarchy and misrule prevailing in the establishment, and losses gradually developing which ultimately almost brought the bank to a stop. Yet the board of directors was one of the ablest bodies of men ever brought together to administer the affairs of the bank.

It will thus be seen that a clear understanding of the inspector's real functions and duties is of essential importance to a joint-stock bank. His proper functions are important enough and difficult enough to perform without intruding into the office of the general management.*

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* As there are exceptions to every rule, it is, of course, conceivable that an inspector on visiting a branch may discover cases of glaring violation of rules, disobedience to orders, or even positive fraud. What, it may be asked, is he to do in such circumstances as these? It is his duty at once to communicate to his head office in cipher, by telegraph, or by telephone, if he can, and ask for instructions. Meanwhile, he may reasonably take upon himself to act

THE CHIEF ACCOUNTANT.

The chief accountant's position is of such importance that he is required to join with the President and General Manager in certifying the correctness of the returns made to the Government. He receives the balance-sheets of all the branches, examines them, compares them, checks the items, and finally summarizes them in one general statement of the cash, the deposits, the loans and discounts, and all the other items required by the Bank Act. It is by these statements that the board and General Manager, as advising them, are guided in the bank's general administration, and as it is simply impossible for a General Manager, still less a President, to verify the voluminous details from which the statement is made up, they must, perforce, and in the nature of things, depend on the chief accountant for the accuracy of what they certify. The check upon this is the *inspection*. For the inspector examines the head office department, as well as every other branch of the bank's operations.

THE SECRETARY.

In the General Manager's department few officers render more useful service than an active and vigilant secretary. This officer should be much above the rank of a clerk, although his faculty may not be in the sphere of management. Indeed, it has happened that a secretary high in the confidence of the board and highly efficient as a secretary may prove a lamentable failure on being entrusted with the responsibility of management.

It is his business to keep all the records of the General Manager's department (including the voluminous statements and returns made thereto by branch Managers), after they have been examined and action taken thereon. An efficient secretary will not only keep such records, but remember their general contents, and be able to answer the General Manager's questions about then without loss of time. All the correspondence of the General Manager with Managers of branches will pass through his hands, and here again will be found the importance of an accurate memory so developed that he can answer readily such questions as are constantly arising in dealing with the business of branches. "Was not such and such a Manager advised about this matter some time ago?" the General Manager will say to himself on reading a branch Manager's letters, and may thereupon dictate a letter of strong disapproval of the Manager's conduct in the matter. But reference to a secretary might correct the impression that was leading to the remonstrance, and show that this particular matter had never been corresponded

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in the case, stopping, it may be, some improper discount about to be put through, or even going the length in an extreme case of taking charge of the office himself, pending instructions. But he would in any such case take such a course under responsibility and incur the danger of severe reprimand to himself in case he made a mistake of judgment.

about at all. Or the error may be in the other direction. "Did we not order such and such a Manager to discontinue taking bills with the name of such a one?" the General Manager will say to his secretary, and yet here he is passing such bills through his books still. "Certainly," the secretary may reply, and proceed to turn up at once the copy of the letter he well remembers to have been sent. On this a letter of remonstrance will be written of a character that no branch Manager would dare to disregard. For want of a watchful secretary, a General Manager may even himself give conflicting orders after intervals of time, his judgment at one period not being exactly the same as at another period owing to a difference of environment. A General Manager may, under the influence of some depressing news, take a pessimistic view of matters in general, and begin to dictate a letter to the Manager of a branch expressing severe blame for permitting a certain account to assume the position it was reported to be in. Here a watchful secretary may interpose an observation like this: "I think that matter was the subject of correspondence some months ago; will you allow me to refer to it?" He does so and finds that the Manager at that time reporting upon the account asked permission to continue certain advances for a time, giving reasons therefor, which request was allowed. "The time has not yet expired," the secretary might say, on which the General Manager would hold his hand, and instruct the secretary to be watchful of the time, and see that the paper referred to was then retired.

Thus the General Manager is in the position of managing partner of a large establishment who thoroughly understands his business but has trained men about him, each with strictly defined lines of duty, all of whom must be in his confidence, all obeying his orders, yet with liberty to make suggestions, all acting together like a complicated machine, wheel within wheel, all moved by one central power, and all converging to the one uniform end, namely, the good of the whole body of the proprietors of the institution.

G. H.

Ex-General Manager Merchants' Bank of Canada.

New York State Banks.—Report of condition March 2, 1905, at the close of business.

RESOURCES.		LIABILITIES.	
Loans and discounts, less due from directors	$234,088,603	Capital	$28,510,700
Liability of directors as makers	9,068,670	Surplus fund	23,824,848
Overdrafts	158,323	Undivided profits	11,361,174
Due from trust companies, banks, bankers and brokers	46,151,620	Due depositors on demand	354,511,239
Real estate	12,919,429	Due to trust companies, banks, bankers and brokers	45,681,364
Mortgages owned	5,068,556	Due savings banks	20,598,589
Stocks and bonds	35,800,206	Due building and loan associations	376,964
Specie	33,797,572	Due the Treasurer of the State of New York	1,068,660
Legal tenders and bank notes	20,386,329	Amount not included under any of the above heads	585,651
Cash items	67,858,400	Add for cents	312
Other assets	1,196,712		
Add for cents	581		
	$485,989,001		$485,969,001

THE TENDENCIES OF MODERN BANKING.

The national note-issuing banks of Europe were practically the creators of banking credit in its wider scope in their respective countries, and down to a recent date maintained effective control over rates for credit. The Bank of England, the Bank of France, the Austro-Hungarian Bank, the Bank of Prussia, and even the Imperial Bank of Germany during its earlier years, determined the rates at which loans should be made, handled the larger enterprises of the countries in which they were established and formed the great reservoirs of credit and of money. This condition has materially changed within the last quarter of a century; for each of these banks has witnessed the growth of competitors without the power of note issue, but capable of more flexible management and equipped with great masses of capital derived from their shareholders and depositors. This modern system of banks of deposit and discount could not have grown up without the preliminary education of the bank-note system, and even yet it is only in financial centers that these great private banks—private in the sense that they are not national institutions, whatever may be the laws governing their incorporation—flourish to the greatest advantage.

Note Circulation Has Largely Ceased to be a Source of Direct Profit.

In the evolution of modern banking, the note circulation has largely ceased to be a source of direct profit to the central banks of Europe, but continues to render an important service to the public. Théry, comparing the situation of the Bank of France with that of the *Crédit Lyonnais*, the greatest of the French private banks, shows that even the half of one per cent. interest which is paid by the private bank to its depositors is not a heavier charge upon its income than the costs of the note issue of the Bank of France, the shipment of money, the stamp tax paid upon the notes, and other services rendered gratuitously to the Government and the public.[1] Even in the case of the Scotch banks, where small notes have proved so much more acceptable to the people than gold and silver coin, it is shown by Kerr that the excess of the circulation above the metallic reserve affords but a trifling profit, if any, to the banks. He says:[2]

> "For the remaining portion of its issue it must keep a corresponding amount of bullion. That represents a complete loss of interest. From the income derivable from the authorized issue there falls to be deducted the expense of manufacturing the entire body of notes—a very heavy item—Government duty, bankers' licenses, charges for conveyance of bullion, exchange expenses, and a multiplicity of minor outlays. From this it will readily be seen that there is small room for direct profit to any of the banks, and none whatever to those whose authorized issues are small in proportion to their actual circulation. The direct profit on bank-note issues goes principally to Government in the shape of saving in wear and tear of the gold coin and in special taxation."

[1] "Valeurs Mobilières en France," p. 91.
[2] "Scottish Banking During the Period of Published Accounts," p. 89.

Comparative Growth of German and British Banks.

One of the chief objects of banking is to bring into profitable use the saved capital of the community. This is accomplished under the deposit system, by the unconscious—or at least passive—loans made by holders of notes to their issuers. If capital is not available by either of these methods, it can be obtained only by high capitalization of banking companies. This has been the case with the large banks of Germany in recent years. The German deposits are so small and the note circulation is so restricted that neither at the Imperial Bank nor at the few surviving banks of issue in the states can accommodation be found by these means sufficient for the great enterprises on which German capital has embarked. German private banks do business largely with their own capital instead of that of depositors. M. Raffaolovich declared in 1898 that the German banks had been "a prey to a genuine mania for increasing their capital." There was then upon the average for 100 marks of banking capital in Germany fifty marks in deposits, while in England there were 1207 marks of deposits.[3] Even at that time the capitals and reserve funds of the German banks were larger than those of all the banks of Great Britain, while their deposits were many times less. Nor was this disproportion seriously modified during the next seven years. The increase in banking funds in Germany was in the form of capital, in Great Britain in the form of deposits. In Germany banking capital was increased from 1,248,700,000 marks ($300,000,000) in 1883 to 2,163,500,000 marks in 1897 and to 2,869,500,000 marks ($690,000,000) at the beginning of 1904.[4] The ratio of capital to deposits and creditor current accounts in the three leading banks of Germany is disclosed by the following statistics from their reports for the close of 1903:

Capital and Deposits of Berlin Banks.

	Marks.	Marks.	Per cent. of capital and reserves.
Deutsche Bank...............	215,400,000	789,300,000	27.3
Disconto-Gesellschaft	200,200,000	248,700,000	80.5
Dresdner Bank...............	164,200,000	325,700,000	50.4

While the ratio of deposits to reserves here shown has increased materially within a few years, it is still small in comparison with the steady growth of deposits in the United Kingdom. There it has become a subject of criticism that the rule laid down by Gilbart has been long forgotten, that the capital of a bank should not be less than one-third of its liabilities. Banking capital in the United Kingdom (excluding foreign and colonial banks) increased indeed by £52,034,446 ($253,500,000) over the long span between 1876 and 1903; but the increase for the six years ending with 1903 was only £8,700,000($42,500,000)and the percentage of capital and reserve to liabilities has for a long time oscillated around fifteen per cent. How little capital has

[3] "Le Marché Financier en 1897-98," p. 263.

[4] "Bulletin de Statistique" (November, 1904), LVI, p. 536. According to a study in the Frankfort Gazette, the ten chief banks of Berlin increased their capital from 1896 to 1902 by fifty-six per cent. and their reserves by fifty-four per cent.; while the provincial banks increased their capital by forty-three per cent. and their reserves by seventy-six per cent.—Raffalovich, "Le Marché Financier en 1903-04," p. 524.

increased in recent years in proportion to deposit and note liabilities may be judged from these returns:[5]

Capital and Liabilities of British Banks.

Year.	Capital and Reserves.	Liabilities.	Per cent. of capital and reserves.
1897	£124,630,000	£816,428,000	15.26
1900	130,252,000	889,668,000	14.64
1902	133,182,000	904,130,000	14.73
1903	133,326,832	885,508,128	15.05

In these six years, therefore, while the capital of German banking institutions has been increased by more than thirty per cent., British banking capital has been increased by only about seven per cent. In actual gross amount the increase in Germany was about four times that in the United Kingdom, but this difference was offset in a large measure by the increase in British deposits, which was $340,000,000, or about twice the increase in German banking capital.

Tendency of Banking Power to Concentrate.

The true significance of this distinction between growth in capital and growth in deposits will not be clearly understood, however, without taking into account another important factor in the evolution of modern banking. This factor is the tendency to concentration of banking power. Such concentration has tended to check the increase of capital and reserves which would naturally follow the demand for increased banking facilities if such an increase were obtained by the creation of new institutions. In the United States, where branch banking is not permitted by the National Banking Act and is seldom encouraged by State laws, we have seen the capital of National banks alone increased by $110,000,000, or about fifteen per cent., from 1895 to 1905.[6] To some extent this has been a waste of that economic efficiency of capital which would have been obtained by strong banks with local branches adapted in cost of maintenance and in resources to diversified local needs.

This tendency to concentration has assumed several phases. In one sense it might be asserted that the modern tendency had been against concentration, because in every rich country has grown up a hierarchy of powerful joint stock and private banks, which have come to overshadow in the volume of their dealings the privileged National banks. This development has been a part, however, of the consistent evolution away from the system of banking with circulating notes and paid-up capital towards the system of accumulating in strong hands the capital of the public entrusted to the banks in the form of deposits. Along with it has gone, except in the United States, the tendency to unify the note-issuing function as it was already practically

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[5] London "Bankers' Magazine" (June, 1904), LXXVII, p. 824. There was a net decrease of capital and reserves of £683,890 ($3,350,000) in 1904, due chiefly to amalgations.—London "Bankers' Magazine," (January, 1905), LXXIX, p. 20.

[6] Much of this increase was under a special provision of the Act of March 14, 1900, by which National banks with capital as low as $25,000, were first authorized, the previous minimum having been $50,000. Under this provision 1,437 National banks were organized up to October 31, 1904, with aggregate capital of $37,459,500; but of these only 814 with aggregate capital of $20,761,500 were entirely new institutions.—Report of the Comptroller of the Currency, 1904, p. 17.

unified by the middle of the nineteenth century in Great Britain, France, Russia and Austria-Hungary.

The German Empire adopted the principle of unity of note issues in 1875. Of the thirty-three German banks of issue which were then offered the option of abandoning their privilege of issue or accepting severe restrictions, only six retained the privilege in 1905, while the number of German banks increased from 113 in 1885 to 170 in 1905. In Italy the number of banks of issue was reduced, after the scandals of 1893, to three, and in countries as opposed in character and financial policy as Sweden and Switzerland efforts have been made within a dozen years to depart from the system of national banks of issue to the system of national monopoly. In Sweden this movement took shape in the Law of May 12, 1897, by which the twenty-six note-issuing banks were required by January 1, 1904, to surrender their privilege to the Royal Bank (Rihsbank). The latter institution, an heir in some degree of the first bank of issue known to European history, already had (since 1899) the monopoly of issuing notes for five kroner ($1.34). The privileges of the other banks terminated with their charters, which were for only ten years, but special advantages in respect to rediscounts were offered to those local banks which surrendered their note issue at earlier dates.[7] Under this pressure, the note issues of the private banks, which remained till the close of 1901 near their maximum of 80,000,000 kroner ($21,440,000), gradually dwindled during 1902 and 1903, and the circulation of the Royal Bank increased by more than a corresponding amount.[8]

In Switzerland the effort to supersede the local banks of issue by a central bank has been more stubbornly resisted. A proposal to establish a central bank owned by the State was submitted to popular vote on February 28, 1897, and received only 195,764 votes, with 255,984 votes in the negative.[9] This defeat did not discourage the partisans of a central bank. Again and again committees from the chambers of commerce and different branches of the Government struggled with questions of the manner of raising the capital and dividing the profits, but without conclusive results.[10]

While these movements were going on in Europe, the tendency toward unification of the note-issuing function was making headway in other parts of the world as far removed as Mexico and Japan. In Mexico independent banks of issue are still tolerated, but nearly half of the circulation is issued by two strong institutions of a total number of nearly thirty. In Japan the experiment of multiple banks of issue was abandoned by the creation of the National Bank of Japan in 1882 and the gradual retirement of the notes of the local national banks. The national banks, numbering 153 at the maximum in 1879, disappeared in 1898. They were gradually converted into ordinary commercial banks without the power of note issue, whose numbers rose from 222 in 1890 to 1841 in 1902.[11]

This movement towards unification of the function of note issue has been

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[7] Flux, in "Yale Review" (February, 1903), XI, p. 369. The concessions offered were coupled with the condition that the bank should keep open all the offices which it had on January 1, 1896.

[8] It stood at the close of 1904 at about $47,000,000, as compared with $25,000,000 at the close of 1901.—"Bulletin de Statistique" (January, 1905), LVII, p. 64. [9] Vide New York "Bankers' Magazine" (April, 1898), LVI, p. 523.

[10] Vide "Economiste Européen" (December 2, 1904), XXVI, p. 732.

[11] Vide "Financial and Economical Annual of Japan," 1904, pp. 98-111, "An Outline of Banking System in Japan," p. 24.

due in part to the general tendency to concentrate banking capital, but more directly to the belief that a single institution would be directly responsible to the commercial community and to the State, in so fixing the rate of discount as to properly govern the ebb and flow of the precious metals. The growth of the deposit currency, which is in only a few countries regulated by law, has made it the more necessary, according to this theory, that there should be a central financial power having both the means and the sense of responsibility to act as a reserve bank in emergencies and to influence directly the rate for the rental of capital and the supply of currency. Independent local banks might have neither the power, the intelligence, nor the sense of responsibility to perform this function promptly and efficiently. It was the criticism of the Federal Council upon the Swiss banking system, in their report upon the operations of 1902, that the Swiss banks did not limit the employment of their notes to the single end of facilitating payments, but employed them in every species of credit.[12]

This effort to strengthen the position of the national banks of issue has been in some degree the natural consequence of centralization in private banking. It has been accompanied by a subdivision of functions which has recognized the greater adaptability of private banks for many classes of operations, but has left more and more to the national banks the position of protectors of the monetary system and the national credit. In Great Britain forty-two banks were absorbed by others from 1877 to 1886; ninety from 1887 to 1895; and ninety-one from 1896 to 1904.[13] During this long period comparatively few new banks were created. In England and Wales the services performed as recently as 1895 by ninety-nine joint stock banks with aggregate deposits of £438,866,000 ($2,140,000,000) were performed in 1904 by only sixty-four banks, whose deposits were £583,011,000 ($2,843,000,000).[14] Private banks, not included in these figures, have been rapidly diminishing in numbers as they have been "taken over" by their huge rivals in London.

But this process of consolidation has not been accompanied by diminution in the facilities afforded the public in the way of banking offices. At the close of 1904 there were 7238 banking offices in the United Kingdom. This represented a net increase of nearly 100 per cent. since 1877, when the number was 3664, and an increase in the number of places formerly without a banking office where one is now established of 1293. This increase came chiefly during the period from 1890 to 1904, within which 2625 new offices were opened, and largely from 1899 to 1904, when the net increase was 1100. Twenty-four banks in the United Kingdom have more than 100 offices each, and of these there are four which have more than 300 each.[15]

In Germany forty private banking houses were absorbed by the leading banks of Berlin in the single year 1897. This was largely the result of the Bourse law of 1896, which tended to transfer to banks of large capital the dealings in negotiable securities.[16]

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[12] "Bulletin de Statistique" (June, 1903), LIII, p. 856. It was admitted, however, in the report of the inspectors for the previous year that during the period of business depression notes had not flowed into the banks, but the metallic reserve had increased from 54.3 per cent. in 1900 to 59.2 per cent. in 1901.—Ibid (March, 1902), LI, p. 395.

[13] London "Bankers' Magazine," 1898-1905.

[14] London "Economist," Supplement of October 22, 1904.

[15] London "Bankers' Magazine" (February, 1905), LXXIX, pp. 178-193.

[16] Raffalovich, "Le Marché Financier en 1897-8," p. 262.

The process has not halted in more recent years. At the beginning of 1905 the *Deutsche Bank*, with a capital of 180,000,000 marks ($42,800,000) had grouped around it thirteen smaller banks, whose policy it controlled. The *Disconto-Gessellschaft* and other large Berlin banks exercised a similar hegemony through the principle of community of interest, and it was calculated that within three years seventeen joint stock banks with capitals of 154,000,000 marks ($36,500,000) had been absorbed by larger establishments.[17] In France the *Crédit Lyonnais*, which had gradually driven to the wall most of the provincial bankers, increased its deposits and creditor current accounts from 383,000,000 francs ($74,000,000) at the close of 1880 to 677,000,000 francs in 1890, 1,167,000,000 francs in 1900, and 1,656,000,000 francs ($320,000,000) in 1904.[18] Its paid-up capital, which in 1872 stood at the comparatively modest sum of 25,000,000 francs ($4,825,000), was progressively increased to 100,000,000 francs in 1882, 200,000,000 francs in 1896; and 250,000,000 francs, with reserves of 100,000,000 francs (in all $67,500,000) in 1900. By a vote of the shareholders late in 1904 the capital will hereafter be 300,000,000 francs, while the *Comptoir d'Escompte* at about the same time increased its capital to 200,000,000 francs.[19]

Consolidation of Banking Power in the United States.

In the United States the tendency to concentration of banking power has gone on apace, in spite of the deterring influence of the legal disability of National banks to create branches. This tendency to concentration of capital has naturally accompanied the consolidation of industrial enterprises. Banks with sufficient capital and resources to handle the small businesses of a generation ago are unable to meet the demands of the larger enterprises of recent times. They would be unable, moreover, to inspire readily the confidence abroad necessary in the exchange operations which have been so considerable a factor in the money market since certain classes of securities acquired an international character.

Among the National banks there was none prior to 1902 with a capital of more than $10,000,000, and only three with this capital, all in the city of New York. Within the next few years two New York banks raised their capital to $25,000,000 each, independent of large surplus funds.[20] The concentration of deposits justified these increases of capital. While the number of banks in the chief reserve cities was steadily reduced at the close of the nineteenth and beginning of the twentieth centuries, the ratio of their resources to those of other National banks was as steadily increased. In Boston a drastic policy of consolidation reduced the number of National banks from fifty-four in 1898 to twenty-seven in 1905. During the official year 1904 thirty-two National banks with capital of $12,700,000, were absorbed by or consolidated with other National banks, and nine such banks, with capital of $4,480,000, were absorbed by trust companies.[21] In the autumn of the same year, it was pointed out by a financial journal, 347 banks in the reserve cities held fifty-six per cent. of the aggregate resources of the banks in the National

[17] London "Economist" (January 14, 1905), LXIII, p. 53.
[18] "Economiste Européen" (February 3, 1905), XXVII, p. 136.
[19] London "Economist" (January 14, 1905), LXIII, p. 53.
[20] One of these was the old "Bank of Commerce in New York," which was brought into the National system somewhat reluctantly by the grant of special privileges by Congress.—McCulloch, p. 169.
[21] Report of the Comptroller of the Currency, 1904, p. 18.

system, while 5065 "country banks" held only forty-four per cent. The three central reserve cities—New York, Chicago, and St. Louis—with their sixty-two banks, held thirty per cent. of the resources of the 5412 banks in the National system, and five of the New York city banks held more than eleven per cent. of the total resources.[22] These five controlling New York banks held in March, 1885, deposits of $67,834,800, or 19.6 per cent. of the total deposits of $353,726,400 held by the banks which were members of the New York Clearing-House. These same five banks in March, 1905, held deposits of $576,632,600 which was 48.5 per cent. of the deposits of $1,187,635,800 in the custody of the clearing-house banks.[23] Around each of these leading banks were grouped trust companies and insurance influences which enabled them to command large amounts of capital, to distribute readily new issues of securities, and to act promptly and secretly in meeting emergencies and financing great enterprises.[24]

How rapidly deposits have grown in the banks of reserve cities in proportion to total deposits, within a very few years, appears from the following table:

Deposits of National Banks.

Date.	Central reserve cities.	Other reserve cities.	"Country banks."
October 2, 1890....	$ 441,658,579	$ 457,753,527	$ 859,249,215
September 28, 1895..	565,720,608	513,046,168	910,533,553
September 5, 1900..	998,457,720	921,338,863	1,361,189,001
September 15, 1902..	1,040,587,878	1,060,571,076	1,743,206,583
September 9, 1903..	1,021,574,470	1,032,473,203	1,809,464,438
November 10, 1904..	1,281,653,593	1,178,906,777	1,960,025,802

Among trust companies a like concentration of banking power has been going on. Of 958 such companies whose resources were ascertained in the latter part of 1904, twenty-nine had resources of $1,319,989,119, or more than forty-one per cent. of total resources of $3,188,375,397. The ten largest companies in the City of New York had resources of $599,892,312.[25] A more striking indication of the interrelationship of these powerful institutions with the leading reserve banks is afforded by comparison of the names of directors which are common to several institutions. Some light is thrown on this relationship also by the fact that of the 923 trust companies outside of New York city, 339, or more than one-third, name as their correspondents in New York one of the five National banks which are among the greatest repositories of financial power.[26] CHARLES A. CONANT.

[22] "United States Investor," November 19, 1904.

[23] "Wall Street Journal," March 21, 1905.

[24] "Only a large institution, or a group of powerful banks and trust companies, can effect a $5,000,000 loan at an hour's notice, or undertake the vast enterprises that are characteristic of the times. Frequently such movements must be conducted with secrecy, at least in their early stages; and this condition is difficult to secure when the co-operation of a large number of banks must be invited."—Bullock, "The Concentration of Banking Interests," in "Atlantic Monthly" (August, 1903), XCII, p. 189.

[25] "Trust Company Power," in "Wall Street Journal," November 8, 1904.

[26] Vide, "Wall Street Journal," November 11, 1904.

It is pointed out by the same journal (November 28, 1904) that "the twenty-four directors of the National City Bank are directors of 357 other banks, trust companies, and railroad and industrial corporations."

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

TAXATION OF NATIONAL BANK STOCK—WHAT WILL BE UNDUE DISCRIMINATION.

Supreme Court of the United States, February 27, 1905.

SAN FRANCISCO NATIONAL BANK *vs.* WASHINGTON DODGE, an Assessor of the City and County of San Francisco.

Where the stock of a National bank is taxed at its market value, and in assessing the property of State banks and other moneyed corporations the assessment does not include all the intangible elements of value which go to make up the market value of stock, there is an illegal discrimination against the National bank stock.

Appeal from the United States Circuit Court of Appeals for the Ninth Circuit to review a decree which affirmed a decree of the Circuit Court for the Northern District of California, dismissing a suit to restrain the enforcement of taxes on shares of stock of a National bank.

Mr. Justice White delivered the opinion of the court:

The appellant bank sued to restrain the enforcement of State, county and city taxes, levied for the year 1900, upon shares of stock of the bank. Adequate averments were made to show equitable jurisdiction. (Cummings vs. Merchants' Nat. Bank, 101 U. S. 153, 157; Hills vs. National Albany Exch. Bank, 105 U. S. 319; Lander vs. Mercantile Nat. Bank, 186 U. S. 458.) The taxes were alleged to be in conflict with the law of the United States. (Rev. Stat. § 5219, U. S. Comp. Stat. 1901, p. 3502.)

The case was submitted upon the pleadings and an agreed statement of facts. A decree of dismissal was affirmed by the Circuit Court of Appeals for the ninth circuit. That court deemed that the cause was controlled by the reasoning of an opinion delivered in deciding a previous case (Nevada Nat. Bank vs. Dodge), the opinion in which case is reported in 50 C. C. A. 145, 119 Fed. 57.

Before considering the contentions relied on we quote the text of the Constitution of California directly relating to the subject in hand, and briefly advert to the legislation of that State which preceded the act under which the assailed tax was levied.

Section 1 of article 13 of the Constitution of California provides:

"All property in the State, not exempt under the laws of the United States, shall be taxed in proportion to its value, to be ascertained as provided by law. The word 'property,' as used in this article and section, is hereby declared to include moneys, credits, bonds, stocks, dues, franchises, and all other matters and things, real, personal, and mixed, capable of private ownership. . . . The Legislature may provide, except in the case of credits secured by mortgage or trust deed, for a reduction from credits of debts due to bona fide residents of this State."

Carrying out the command to provide for the ascertainment of the value of property to be taxed, it was enacted (Pol. Code, § 3627) that all taxable property shall be assessed "at its full cash value," and (Pol. Code, § 3617)

that "the terms 'value' and 'full cash value' mean the amount at which the property would be taken in payment of a just debt due from a solvent debtor."

Prior to 1881 shares of stock of all corporations were taxed, and § 3640 of the Political Code commanded that the market value of the stock of a corporation should be taken as the value of the shares for assessment. Where the shares of stock were taxed no tax was levied upon the corporate property. This was because the Supreme Court of California had decided that to tax both the stock and the corporate property would be double taxation. (Burke vs. Badlam, 57 Cal. 594.)

In the year 1881 the general system of taxing shares of stock was abandoned, and a rule was put in force taxing the corporate property. Section 3608 of the Political Code, which embodied this change, was as follows:

"Shares of stock in corporations possess no intrinsic value over and above the actual value of the property of the corporation, which they stand for and represent, and the assessment and taxation of such shares and also of the corporate property would be double taxation. Therefore, all property belonging to corporations shall be assessed and taxed, but no assessment shall be made of shares of stock; nor shall any holder thereof be taxed therefor."

The act of 1899, under which the tax in this case was levied, amended the section just quoted, by providing that all property belonging to corporations shall be assessed and taxed, "save and except the property of National banking associations, not assessable by Federal statute"; and by adding to the provision commanding that no assessment shall be made of shares of stock in any corporation the following words: "Save and except in National banking associations, whose property, other than real estate, is exempt from assessment by Federal statute." To carry out the change made by the provision just referred to, two sections were added to the Political Code, viz., 3609 and 3610.

The first contention is that the law of 1899 is on its face in conflict with § 5219 of the Revised Statutes, because it taxes shares of stock in National banks, and does not tax such shares in State banks and other State moneyed corporations. As it is patent that the State banks and corporations are taxed on their property, the proposition reduces itself to this: That the States may not pursue the method permitted by the act of Congress of taxing shares of stock in National banks, unless the same method is employed as to the stock of State banks and other State moneyed corporations.

In Davenport Nat. Bank vs. Board of Equalization, 123 U. S. 83, it was decided that the provision of § 5219 of the Revised Statutes [U. S. Comp. Stat. 1901, p. 3502], authorizing the taxation of shares of stock in National banks, but exacting that the tax when levied should be at no greater rate than that imposed on other moneyed capital, did not require the States, in taxing their own corporations, "to conform to the system of taxing National banks upon the shares of their stock in the hands of their owners."

True it is in the Davenport Case it was also decided that the prohibition in the act of Congress of a higher rate of taxation of shares of stock in National banks than on other moneyed capital operated to avoid any method of assessment or taxation, the usual or probable effect of which would be to discriminate in favor of State banks and against National banks. True, also, is it that in the same case it was held that, even where no such discrimination seemingly arose on the face of the statute, nevertheless, if from the record it appeared that the system created by the State in its practical execution produced an actual and material discrimination against National banks, it would be the duty of the court to hold the State statute to be in conflict with the act of Congress, and therefore void.

As, then, no conflict necessarily arises between the act of Congress and the State law, solely because the latter provides one method for taxation of State banks and other money corporations and another method for National banks, it follows that the contention, that the State law, for that reason, is repugnant to the act of Congress, is without merit. And this brings us to consider the contention of the appellant, which we think was embraced in the pleadings, which was expressly covered by the stipulated facts, the overruling of which was assigned as error in the circuit court of appeals and in

this court, and was elaborately discussed by both parties in the argument at bar, viz., that, irrespective of the face of the State law, that law is void because of a discrimination against National banks, within the principles settled in the Davenport Case.

To determine this latter contention requires an analysis of the two systems which the law of California enforces, in order that the two may be accurately compared.

Under the law the shares of National banks must be valued at their "full cash value," which the statute defines to mean the amount at which they "would be taken for a just debt due from a solvent debtor." These words are but synonymous with the requirement that, in assessing shares of stock, their market values must be the criterion. This is the case, for, eliminating exceptional and extraordinary conditions, giving an abnormal value for the moment to stock, it is apparent that the general market value of stock is its true cash and selling value. That such is the meaning of the words in the legislation of California is indisputable, in view of the provision of § 3640 of the Political Code, which made market value the rule for assessing shares of stock during the period when the taxation of shares of stock generally prevailed, and that such requirement was mandatory was in effect held by the Supreme Court of California. (Miller vs. Heilbron, 58 Cal. 133, 138.)

What, then, was embraced in the assessment of the shares of stock at their full cash or selling or market value? It embraced, not only the book value of all the assets of the corporations, but the good will, the dividend-earning power, the ability with which the corporate affairs were managed, the confidence reposed in the capacity and permanency of tenure of the officers, and all those other indirect and intangible increments of value which enter into the estimate of the worth of stock, and help to fix the market value or selling price of the shares. Considering this subject in Adams Exp. Co. vs. Ohio State Auditor, 166 U. S. 211, the court said:

"The capital stock of a corporation, and the shares of a joint-stock association, represent, not only tangible property, but also the intangible, including therein all corporate franchises, and all contracts, privileges, and good will of the concern."

And in Pullman's Palace Car Co. vs. Central Transp. Co. 171 U. S. 138, this was reiterated. The court, after observing that, while the franchise was one of the things entering into the computation of market value of shares of stock, said (p. 154, L. ed. p. 115, Sup. Ct. Rep. p. 815):

"The probable prospective capacity for earnings also enters largely into market value, and future possible earnings again depend to a great extent upon the skill with which the affairs of the company may be managed. These considerations, while they may enhance the value of the shares in the market, yet do not in fact increase the value of the actual property itself. They are matters of opinion upon which persons selling and buying the stock may have different views."

That this doctrine is the rule in California is clearly shown by Bank of California vs. San Francisco, 142 Cal. 276, for in that case the court, speaking of such elements of value as "dividend or profit earning power, or good will," said:

"In this connection, it will be observed that these elements, so far as they may enter into the value of shares of stock, would be included in an assessment of such shares to the stockholders."

The State banks and other corporations are assessed on their property. Conceding that every species of property is assessed which is specifically enumerated as taxable in the State constitution, it does not follow that the assessment of property as such includes good will, dividend earning power, confidence in the ability of the management, and all those other intangible elements which necessarily enter into the cash or selling value of shares of stock. As said in the passage already quoted from the Pullman Case, 171 U. S. 138, such elements "may enhance the value of the shares [of stock] in the market, yet [they] do not in fact increase the value of the actual property itself. They are matters of opinion upon which persons selling and buying the stock may have different views."

In the argument at bar no law of the State was referred to requiring that

the assessing officers, in valuing the property of a corporation, should assess as property its good will, its dividend earning power, the confidence reposed in its officers, etc. From this analysis it results that in the one case, that of National banks, not only the value of all the tangible property, but also the value of all the tangible elements above referred to, is assessed and taxed, whilst in the other case, that of State banks and other moneyed corporations, their property is taxed, but the intangible elements of value which we have indicated are not assessed and taxed; the consequence being to give rise to the discrimination against National banks and in favor of State banks and other moneyed corporations forbidden by the act of Congress.

In the argument at bar this conclusion, it is insisted, is avoided, because, whilst under the text of the State statutes it may be that all the elements of value which are included in the assessment of shares of stock are not *eo nomine* assessed against State banks and other moneyed corporations as property, they are, nevertheless, assessed against such corporations under the denomination of "franchise," the duty of the assessing officer to do so being imperative, as the result of the interpretation given to the taxing law by the Supreme Court of the State. The proposition is thus stated in the argument of counsel:

"Under the California system, all the property of California corporations is assessed, including their franchises. It is frequently the case that the market value of the stock of the corporation is greatly in excess of the value of its property, other than its franchise. This fact was called to the attention of the State court, which recognized the force of this suggestion, and held, the constitution and laws of the State require the assessment and taxation of the franchise of the corporation, and that its value, for the purpose of such assessment and taxation, was properly ascertained by deducting from the market value of its stock the value of its corporate property and assessing the remainder as franchise."

It may be conceded that, if the statutes have been interpreted by the supreme court of the State as thus asserted, and that, as so interpreted, they have been applied by the assessing officers, there would be an end to the discrimination which we have seen arises from the consideration of the result of the statutes when not so interpreted.

The question then is, Do the decisions of the Supreme Court of California, as contended, place the positive duty on the assessor of including in an assessment of the franchises of State corporations all the elements of value which form part of the market or selling value of shares of stock?

Three cases are cited to sustain the proposition, viz., San Jose Gas Co. vs. January, 57 Cal. 614; Spring Valley Waterworks vs. Schottler, 62 Cal. 69; and Bank of California vs. San Francisco, 142 Cal. 276.

Before coming to consider the last case cited, which is the one principally relied upon, we dispose of the two others by saying that they do not support the proposition. The first simply decided that where a part of a tax was asserted to be illegal, and a part was admitted to be valid, the duty existed to pay the confessedly legal part to justify relief concerning the portion claimed to be illegal. The second case but decided that the franchises of corporations were taxable as property, and, where a corporation enjoyed other franchises than the right to exist as a corporation, and the board of equalization, in assessing such franchises, had treated them as equivalent in value to the selling value of the capital stock, the courts had no power to interfere with the discretion lodged in the assessing officers.

In the last-cited and latest-decided case, Bank of California vs. San Francisco, the controversy was this: The Bank of California was assessed on its property. The difference between the value of such property and the cash or selling or market value of the shares of stock of the corporation was $2,943,096.92. The franchise, instead of being assessed for this amount, was valued only at $750,000. This valuation was resisted by the bank, upon the ground that it was so large that it must have included good will, dividend-earning capacity, etc., which, it was asserted, could not under the law be embraced in an assessment of franchises. The court elaborately reasoned (there being two dissenting judges) that, in view of the power of the assessors to value property, it "could not say" that the assessing officers had

transcended their authority in making the valuation complained of. Speaking of the duty of the assessing officers, it was said:

"'The duty of making the valuation was cast upon the assessor. The method of arriving at the valuation, the process by which his mind reached the conclusion [in cases where, as here, it is not pretended that he acted fraudulently or dishonestly], is matter committed to his determination.' . . . This appears to be determinative of the contention here made. . . . Whether or not the whole difference between the aggregate market value of the shares of stock and the value of the tangible property,—viz., $2,943,096.92,—was the value of the franchise, the assessor certainly had the right to take the value of the shares into consideration in determining the value of the franchise; and, were we at liberty to review the judgment of the assessor and of the board of equalization upon those matters, we could not say that an assessment of $750,000 thereon is unjust, or that it includes such elements as dividend or profit-earning power, or good will, which, it is claimed, should not be taken into consideration in determining the value of the property of the corporation."

After pointing out that these elements entered into the assessment of shares of stock at their market value, it was observed:

"It is clear that, if the laws of the State properly express the intention that everything that gives value to the shares of a corporation shall be assessed as property of the corporation, the true value of those shares is a most important element in determining the value of such property."

In other words, the court simply declared that *if* the law of the State properly expressed the purpose to tax everything of value, the assessor had a discretion to consider what was the selling value of shares of stock in fixing the value of the franchise. Instead of supporting the contention that the law obliged the assessor to attribute to the franchise the value of those intangible elements which it was conceded were embraced in the assessment of shares of stock, the reasoning of the opinion is to the contrary. As the cash, selling, or market value of the stock in the case before the court was conceded to have been nearly $3,000,000 greater than the tangible property assessed to the corporation, and the assessor had valued the franchise, not at that sum, but at only $750,000, it is patent that, if the law of California had been what it is now asserted the court held it to be, that the claim that there was an overvaluation of the franchise would have been so frivolous as to require only a statement of the law to decide against the claim of overvaluation.

But the court made no such statement. On the contrary, it stated its inability to judicially declare that an assessment was extravagant and grossly unjust which was more than $2,000,000 lower than it should have been if the law imposed the obligation on the assessor of valuing the franchise by the difference between the value of the tangible property assessed and the cash or selling value of the shares of stock. This inability to give relief was placed solely upon the discretion which the law lodged in the assessor. But this interpretation of the statute serves only to further demonstrate the discrimination which has been previously pointed out. This result is made clear by comparing the discretion lodged in the assessor in valuing the franchise of State banks or other moneyed corporations with the duty resting on him as to the valuation of shares of National banks. The wide difference between the *discretion* on the one hand and the *duty* on the other will be additionally demonstrated by a consideration of the discrimination against National banks which has arisen in the practical execution of the statutes.

In the agreed statement of facts it was admitted that there are in the State of California 178 commercial (or State) banks, possessing a vast amount of capital, eighteen of which were located at San Francisco. And, to quote from the statement, "that the manner in which franchises of commercial banks and trust companies were assessed for said fiscal year ending June 30, 1901, by the assessor of the city and county of San Francisco, is illustrated by the case of the Bank of California, a banking corporation organized under the laws of the State of California."

The assessment in question, which it is thus declared in the statement of facts is illustrative of the other assessments against State banks, was the one

which was involved in the controversy decided in the Bank of California Case, *supra*. It is then recited in the agreed statement that the total property resources of the Bank of California, correcting a misprint in the record, were $5,156,903.08; and that the market or selling value of its capital stock was $8,100,000, a difference of $2,943,096.92; and that, deducting from the resources of the bank certain exemptions, the bank was assessed for property at $2,311,774. To this last-mentioned sum was added for franchise tax, not the difference between the value of the property and the selling value of the stock, which, as stated, was nearly $3,000,000, but only $750,000. It is insisted in argument that this statement shows but a single case of undervaluation of a State bank by the assessors, and therefore does not justify the conclusion that, in the exercise of their discretion, the assessors had generally, as to State banks and corporations, valued the franchises at less than the difference between the value of the property taxed and the market or selling value of the stock. But this contention disregards the fact that, by the agreed statement, it was expressly admitted that the assessment in question was illustrative of the assessments upon the other State banks and moneyed corporations.

In view of the issues in the cause, as to which the facts were agreed, to say that the assessment in question only illustrated the case of the Bank of California would require us to disregard the agreed statement.

Finally, it is contended that, even if the State banks and other State moneyed corporations were assessed as illustrated by the valuation placed on the Bank of California, the complainant National bank has no reason to complain because the assessment put upon its shares of stock was relatively no higher than that put upon the Bank of California, and therefore no discrimination was occasioned. This is predicated upon the fact that the value per share affixed to the stock of the complainant National bank was not higher, having sole reference to the value of the stock as shown by the book value of the assets, and, considering allowable deductions, than was the assessment put upon the Bank of California, considering, alone, the same elements.

But there is no proof whatever that the stock of the complainant bank had a market or selling value higher than the value affixed to it by the assessor; and the items which were made the basis of the assessment against the stock are declared in the agreed statement to be the entire assets of the bank, and in the argument at bar on behalf of the assessor the value of the shares of stock of the bank in excess of their book value is assumed to have been only normal.

The proposition, therefore, comes to this,—although the complainant National bank was assessed at the full value of its stock, there was no discrimination in favor of the State bank, albeit there was a difference in excess of $2,000,000 between the value put upon the property and franchise of the State bank and the sum which should have been levied against it, if all the elements had been assessed which enter into the value of shares of stock. And, thus analyzed, the contention is again reducible to this proposition—that, where property of one person worth a given amount is assessed for its full value, no discrimination in favor of another results when the latter is assessed for a sum greatly below the value of the property assessed.

What has just been said disposes, also, of the contention that, if the National bank had been assessed under the State law by the rule applied to State banks, it would have had affixed to its property a slightly higher valuation than was given as the value of the shares of its capital stock. Without stopping to point out the error in the calculation by which this result is supposed to be demonstrated, it suffices to say that the contention would have merit only in the event that the property and franchise of all State banks had no higher value than the book value of the shares of stock. The fallacy underlying the whole contention cannot better be made clear than by the mere reiteration of the statement that, under the facts as agreed, it is obvious that the shares of stock of the National bank were assessed for all they were worth under the rule of market or selling value, whilst the State bank was only assessed for $750,000 above the book value of the stock,

although the cash, selling, or market value would have required an assessment of nearly $3,000,000.

Many contentions were argued at bar involving the assertion that the State law was invalid because of deductions of debts or exempt property which, it was asserted, the law allows to State banks and other moneyed corporations on an assessment of their property, and does not allow holders of shares of stock in National banks. Most of these contentions are, in effect, disposed of by the consideration which we have given to the proposition that the State law was void simply because it established different methods of taxation as to the two classes of corporations. In so far as the contentions referred to are not, in effect, disposed of by our conclusions on that subject, we content ourselves with saying that we think all such propositions were rightly decided by the court below to be without merit, for the reasons expressed in the opinion delivered by that court in the Nevada Bank Case, to which the court referred, and upon which it placed its rulings. We decide this case solely upon the record before us.

Our conclusion, therefore, does not deny the power of the State of California to assess shares of stock in National banks, provided only the method adopted does not produce the discrimination prohibited by the act of Congress. From this, of course, it would follow that, if the statutes of California, either from their text or as construed by the highest court of that State, compelled the assessing officers in the valuation of the property of State banks and other State moneyed corporations to include all those elements of value which are embraced in the assessment of shares of stock in National banks so that there would be an equality of taxation as respects National banks, the discrimination which we find to exist under the present state of the law of California would disappear.

The decree of the Circuit Court of Appeals is reversed; the decree of the Circuit Court is also reversed, and the cause is remanded to the Circuit Court for further proceedings in conformity with this opinion.

Mr. Justice Brewer, with whom the Chief Justice, Mr. Justice Brown, and Justice Peckham concur, dissenting.

INDORSEMENT "FOR COLLECTION AND RETURN"—SUIT BY INDORSEE—DEFENSES.

Supreme Court of Oregon, February 13, 1905.
SMITH *vs.* BAYER, *et al.*

Under the Negotiable Instruments Law, a person to whom a promissory note is indorsed "for collection and return," may sue thereon in his own name.
But in such an action the note is open to all the defenses which could have been, if it had remained in the hands of the indorser, and the action had been brought by him.
Parol evidence is not admissible to vary or contradict the terms of such an indorsement.

This was an action on a promissory note for $200, executed and delivered by the defendants to the Concordia Loan and Trust Company, of Kansas City, Mo., and indorsed to the plaintiff. The defendants pleaded that the note had remained the property of the payee until after maturity, when it was transferred to the Fidelity Trust Company, and that thereafter the defendants paid the trust company and satisfied it in full. To this the plaintiff replied that he was the owner in his own right of two-sevenths of the note, and since July 21, 1896, had been the owner of the remaining five-sevenths for collection. Upon the trial the plaintiff produced the note with an indorsement, thereon as follows: "Pay to the order of Milton W. Smith, for collection, and return to Concordia Loan and Trust Company, O. D. Rider, Treasurer, O.K., F. Amelung." The note was then admitted in evidence over defendant's objection, on the ground that the indorsement did not transfer such title to the plaintiff as would support an action thereon in his own name, and because the genuineness of the indorsement had not been sufficiently proved. The witness was also permitted to testify, over the defendants' objection and exception, that he was in fact the owner in his own right of

two-sevenths of the note, and the court instructed the jury that any settlement made by the defendants with the payee or owner of the note after the indorsement thereof to the plaintiff would not be a defense against the plaintiff's two-sevenths interest therein, although it would be such defense against the other five-sevenths. The verdict and judgment were in favor of the plaintiff, and the defendants appealed.

Bean, *J.*: The only points of real importance on this appeal are: (1) Whether the indorsement, being on its face "for collection and return" to the payee, vested plaintiff with such a title as will enable him to maintain an action thereon in his own name; and, if so, (2) whether the court erred in admitting parol testimony tending to show that plaintiff was in fact the owner of two-sevenths of the note, and in instructing the jury that, if such was the case, any settlement with the payee or assignee subsequent to the date of the indorsement to plaintiff would be no defense as against plaintiff's two-sevenths.

The indorsement of a promissory note by the payee with the words "for collection," or the like, is not strictly a contract of indorsement, but rather the creation of a power, the indorsee being the mere agent of the indorser to receive and enforce payment for his use. The title to the note and the proceeds thereof remain in the payee, and he may maintain suitable actions and proceedings to enforce his right. (White vs. National Bank, 102 U. S. 658; Commercial Bank of Pennsylvania vs. Armstrong, 148 U. S. 50; Sweeney vs. Easter, 1 Wall. 166; Williams, Deacon & Co. vs. Jones, 77 Ala. 294; People's Bank of Lewisburg vs. Jefferson County Savings Bank, 106 Ala. 524, 17 South. 728; Central Railroad vs. First National Bank of Lynchburg, Virginia, 73 Ga. 383.)

There is, in the absence of a statute, some conflict in the decisions as to whether such an indorsee can sue in his own name. The weight of authority seems to be in favor of his right to do so. (4 Am. & Eng. Ency. Law [2d Ed.] 274; Freeman vs. Exchange Bank, 87 Ga. 45; Roberts vs. Parrish, 17 Or. 583; Falconio vs. Larsen, 31 Or. 137; Selover, Bank Collections, § 28.) And it is now so provided by statute in this State. (B. & C. Comp. § 4439; Selover, Negotiable Instruments Law, § 155; Crawford, Neg. Inst. Law, § 67.)

We are therefore of the opinion that the present action was rightfully brought in the name of plaintiff. It was open, however, as against him, to all defenses which could have been made if the notes had remained in the hands of the indorser, and the action had been brought by it. (Wilson vs. Tolson, 79 Ga. 137; Leary vs. Blanchard, 48 Me. 269.)

The indorsement did not pass the title, nor did it deprive the defendants of any defense they may otherwise have against the note. It merely created the plaintiff the agent of the payee for collection with the right to sue in his own name. The plain meaning of such an indorsement, as said by Mr. Justice Miller (White vs. National Bank, 102 U. S. 658), is that the maker of the note "is to pay it to the indorsee for the use of the indorser. The indorsee is to receive it on account of the indorser. It does not purport to transfer the title of the paper or the ownership of the money when received. Both these remain, by the reasonable and almost necessary meaning of the language, in the indorser."

Such being the effect of the restrictive indorsement and the character of the title acquired by the plaintiff by reason thereof, it necessarily follows that the court was in error in admitting evidence to contradict the contract of indorsement by showing that the note was not transferred to the plaintiff for collection as shown on its face, but that he actually owned two-sevenths thereof in his own right, and in instructing the jury that a settlement made with the payee after the indorsement to plaintiff would be no defense against plaintiff's two-sevenths. The contract of indorsement is in writing. The terms thereof are plain and unambiguous, and parol evidence is not admissible to vary or contradict it. (White vs. National Bank, 102 U. S. 658; Leary vs. Blanchard, 48 Me. 269; Howe vs. Taylor, 9 Or. 288.)

The plaintiff's action is based on the indorsement, and not on any interest he may have in the note. He is made by the indorsement the mere agent of the payee for its collection. The defendants' obligation, notwithstanding the indorsement, is to the payee or subsequent owner of the note, and not to the plaintiff. If they settled and paid the note to the payee or assignee, such

settlement is a complete defense to an action thereon by plaintiff as a mere agent for collection. It may be suggested that, because the jury found a verdict in favor of plaintiff for the entire amount sued for, they must have found that the settlement alleged as a defense was never made, and therefore the error of the court in charging the jury in relation thereto was harmless. The ruling of the court upon this point and its instructions to the jury injected into the case an issue not proper to be tried, the result of which was to confuse and mislead the jury, and we do not think it can be said that the error was harmless.

From these views it follows that the judgment of the court below must be reversed, and a new trial ordered. Many of the other questions argued in the briefs will probably not arise on a retrial, and need not, therefore, be noticed at this time.

INCORPORATION OF BANKS AND TRUST COMPANIES—NEW JERSEY STATUTE.

Supreme Court of New Jersey, March 24, 1905.

M'CARTER, ATTORNEY-GENERAL *vs.* IMPERIAL TRUSTEE COMPANY.

A certificate of incorporation filed under the New Jersey act concerning corporations, cannot include powers of a banking corporation, or those of a trust company, or such as are intended to derive profit from the loan and use of money.

GARRETSON, *J.*: The Attorney General filed an information against the Imperial Trustee Company, alleging, among other things, that under and by virtue of the act concerning corporations (Revision of 1896, P. L. p. 277) and the supplements thereto, the defendant, having caused to be recorded in the clerk's office of the county of Camden a certain paper writing purporting to be a certificate of incorporation, did cause the same to be filed in the office of the Secretary of State February 21, 1899, and did therein claim the right to negotiate loans and to lend moneys; to draw, accept, indorse, discount, buy, sell, and deal in bills of exchange, promissory notes, bonds, debentures, coupons, and other negotiable instruments and securities; to issue on commission, subscribe for, take, acquire and hold, sell, exchange, and deal in shares, stocks, bonds, obligations, or securities of any government authority or corporation; to form, promote, subsidize, and assist companies, syndicates, and partnerships of all kinds; to audit, examine, and report upon and adjust accounts and financial conditions of corporations, firms, and individuals; to act as trustee for persons, firms, and corporations in the issue of bonds, mortgages, and other capacities, and act as registrar of stocks and bonds of a corporation; and generally to carry on and undertake any business undertaking, transaction, or operation commonly carried on or undertaken by capitalists, promoters, financiers, concessionaires, contractors for public and other works, merchants, and any other business which may seem calculated, directly or indirectly, to effectuate these objects; and ever since said 21st day of February, 1899, have exercised the right to do and perform each and all of the above-named franchises and privileges as a body corporate unlawfully and without any warrant, lawful charter, incorporation, or other authority whatsoever.

The information contained other counts, which are not involved in this consideration. To this count the defendant pleaded that they admit the filing of the certificate of incorporation as set out in the information, and did therein claim the right to negotiate loans, etc., as stated in the information, and that ever since the 21st day of February, 1899, they have exercised the right to do and perform each and all of the above-named franchises and privileges as a body corporate; but they deny that they are exercising and performing said franchises and privileges unlawfully, and without any warrant, lawful charter, incorporation, or authority whatsoever.

To this plea the Attorney General demurred upon the following grounds: First. Said plea sets up no legal defense to said information. Second. That under and pursuant to the provisions of an act of the Legislature of the State of New Jersey entitled "An Act concerning corporations" (Revision of 1896, P. L. p. 277) the said defendant was incompetent to acquire the power to

exercise the franchises and to perform and carry out all and every the matters and things set out in the certificate of said defendant company. Third. Because the matters and things which the said defendant company claims to be authorized to transact and is transacting under and by virtue of its said charter are unlawful and ultra vires. Fourth. Because the act of the Legislature of the State of New Jersey entitled "An act concerning corporations" (Revision of 1896, P. L. p. 277) does not authorize or sanction the incorporation of a company to do and perform the acts and exercise the franchises set out in the charter of said defendant company and in said plea.

Section 6 of "An act concerning corporations" (Revision of 1896, P. L. p. 279), under which the defendant was incorporated, authorizes the formation of corporations set forth, and the purposes for which they may be formed, and contains this proviso: "Provided that nothing herein contained shall authorize the formation of any insurance, safe deposit or trust company, banking corporation, Savings bank, or other corporation intended to derive profit from the loan and use of money," etc. Section 3 of the same act provides: "No corporation created or to be created shall by any implication or construction be deemed to possess the power of discounting bills, notes or other evidences of debt, of receiving deposits of money, of buying and selling bills of exchange or of issuing bills, notes or other evidences of debt upon loan or for circulation as money unless such corporation is or shall be expressly incorporated for banking purposes or unless such powers are or shall be expressly given in its charter."

This section is a regulation of and limitation upon all corporations, and is not confined to corporations created under the act of 1896. It indicates what shall be banking purposes; but it cannot be held to authorize the formation of corporations for banking purposes under that act in view of the positive prohibition contained in the sixth section of the same act supra. Many of the powers mentioned in the defendant's certificate of incorporation are those of a banking corporation, or are used for banking purposes, and so cannot be included in a certificate of incorporation under the act of 1896.

Other powers in this certificate are such as are intended to derive profit from the loan and use of money, and so within the prohibition of the sixth section, supra. The sixth section also contains a prohibition against the formation of any trust company under it. The defendant's certificate of incorporation authorizes the defendant "to act as trustee for persons, firms, and corporations, in the issue of bonds, mortgages and other capacities," and this seems to be within the prohibition as to trust companies.

Judgment for Attorney-General upon the demurrer.

FOREIGN BILLS OF EXCHANGE—WHAT ARE—BY WHAT LAW GOVERNED—PROTEST—NEGOTIABLE INSTRUMENTS LAW.

New York Supreme Court, Appellate Division, First Department, April, 1905.

AMSINCK, *et al. vs.* ROGERS, *et al.*

Where a foreign bill of exchange, with bill of lading attached, was indorsed by the drawer to plaintiffs for discount, and by them forwarded to their agents for presentment to the drawees, the drawer's liability on his indorsement, on payment being refused, was governed by the law of the place where the indorsement was made, and not of the foreign country where the bill was presented for payment.

Where an instrument for the payment of the price of a shipment of iron was drawn by the seller on the buyer, who resided in a foreign country, and, with the bill of lading attached, was indorsed for discount, it was a foreign bill of exchange, and not a check, under Negotiable Instruments Law, sections 210, 321 (Laws 1897, pp. 745, 756, chap. 612) defining a bill of exchange as an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the addressee to pay on demand, or at a fixed or determinable time, a certain sum of money to order or to bearer, and defining a check as a bill of exchange, drawn on a bank, payable on demand.

Where a foreign bill of exchange was presented for payment by the agent of the indorsee, and payment was formally demanded and refused, but the bill was not duly protested for non-payment, the drawer was discharged from liability to the indorsee under the express provisions of Negotiable Instruments Law, section 260 (Laws 1897, p. 750, chap. 612).

The plaintiffs in this action were copartners, doing a commission and banking business in the City of New York; the defendants were copartners doing a wholesale iron business in New York and various other cities in the United States. On September 3, 1900, the defendants sold 1000 tons of iron to a firm of iron merchants doing business in Vienna, in the Empire of Austria, at a net purchase price of 2,058 6-8 pounds sterling. In compliance with this contract the defendants caused to be shipped on December 12, 1900, from Birmingham, Alabama, 1000 tons of pig iron consigned to the defendants at Trieste, Austria, taking from the railroad company an export of lading therefor. On December 26, 1900, the railroad company caused the iron to be loaded on a steamship at New Orleans, Louisiana, which vessel was expecting to sail forthwith for Trieste, Austria, and received from said steamer a bill of lading which was by the railroad company forwarded to the defendants in the City of New York. Whereupon the defendants notified the purchasers by cable that the said iron had been shipped on December 26, 1900. On the 8th of January, 1901, the defendants drew an instrument in writing as follows:

"New York, January 8, 1901.

Exchange for £2,058 6-8.

On demand of this original check (duplicate unpaid), pay to the order of Rogers, Brown & Company, twenty hundred and fifty-eight pounds 6-8, payable at rate for bankers checks on London value received, and charge the same to account of pig iron per SS. 'Quarnero.'

ROGERS, BROWN & Co.

To Mess. A. Herm Fraenkl Soehme, Ruepgasse, Vienna, Austria."

Upon this instrument there was indorsed: "Pay to Messrs. G. Amsinck & Co. or order Value received. January 8, 1901. (2 one cent U. S. Internal Revenue stamps, cancelled.) Rogers, Brown & Co."

This instrument, thus indorsed, was delivered by the defendants to the plaintiffs with the bill of lading covering the iron, which was also indorsed to the plaintiffs and attached to the draft. Upon the delivery of this check or draft to the plaintiffs the plaintiffs paid to the defendant the equivalent in American money of the amount called for by the draft. The referee found that the plaintiffs purchased the check or bill in due course of business, were bona fide purchasers for value, without knowledge or notice of equities or defenses, if any such existed; that on the 9th of January, 1901, the day after this check or draft was sold, the defendants were advised by cable from the purchasers that on account of a claim of delay in shipment of said iron, they would not accept the same, except at a reduction of five shillings per ton; that on the same day the defendants consented by cable to this reduction, and advised the purchasers to pay the draft or check and to draw upon the defendants for the difference of five shillings per ton, amounting to £300 sterling, to cover this difference; that on the receipt of said cable, the purchasers, on January 10, 1901, drew upon the defendants a draft in the said sum of £300 sterling to cover this difference, which was presented on January 25, 1901, to the defendants in New York and paid by them in full, and the sum so paid was remitted to and received by the purchasers on or about February 12, 1901; that the steamer upon which this iron was shipped did not sail until January 19, 1901, and arrived at Trieste, Austria, on March 5, 1901; that during the months of January, February and March, 1901, there was a fair market for pig iron at Genoa, Italy, where the steamer first stopped, arriving at Genoa on February 20, 1901; that on February 27, 1901, the said one thousand tons of pig iron could have been sold by the defendants at Genoa, Italy, at the same price at which the same had been sold to the purchasers in Vienna; that upon the arrival of the ship in Trieste, Austria, the purchasers refused to accept the iron upon the ground that the same had not been forwarded and delivered within the time specified in their agreement with the defendants; that on January 8, 1901, this check or bill was drawn by the defendants upon the purchasers and was forwarded by the plaintiffs to Vienna for collection, and was received by mail by the collecting agents in Vienna on January 22, 1901; that this check or bill was presented by

the agents to the purchasers of the iron at the latter's address at Vienna on January 22, 1901; that the agent presenting this check or bill to the purchasers was requested by the purchasers not to present it at that time, because there were certain differences then existing between the drawer of the draft and the defendants concerning the iron in question which would probably be adjusted in a short time; that the messenger thereupon withdrew the presentment; the check or bill was not paid and was not protested, nor were the defendants notified of the presentment and non-payment; that on January 28, 1901, the check or bill was again presented by the agent in Vienna for collection and payment again demanded of the purchasers of the iron; that the same request was again made that the check or bill should not be presented at that time for the same reason given on the occasion of the first presentment on January 22, 1901; and it was again withdrawn, was not then paid and was not protested, nor were the defendants notified of such presentment and non-payment; that on February 12, 1901, this check or bill was again presented by the collecting agents; payment was then formally demanded, which was refused; that no formal protest was made, and no notice given to the defendants; that on February 13, 1901, the collecting agents forwarded through the regular mails a letter to the plaintiffs' agent in London, inclosing this check or bill, and informing them that the same had been duly presented on February 12, 1901, and payment had been demanded and refused; that this letter was received by the plaintiffs' agent in London on February 12, 1901, and on the same day the plaintiffs' agent mailed a letter to the plaintiffs in New York notifying them that the check had been presented for payment on February 12, 1901, and payment refused; that on February 18, 1901, the plaintiffs' London agent received a cable from the plaintiffs in New York inquiring what had been done concerning the check, and on the same day the plaintiffs' agent in London cabled to the plaintiffs' agent in New York stating that the check or bill had been presented for payment to the drawees and that payment thereof had been refused; that on the same day the plaintiffs cabled their agent in London to have the check or bill protested, and on that day the plaintiffs' agent in London returned the check or bill by mail to their Vienna correspondents, instructing them to present it once more and have the same protested; that it was received in Vienna by mail on February 21, 1901, and on that day was presented to the drawees, payment demanded and refused, and it was thereupon on the same day protested, and on February 22, 1901, was with the protest returned by mail to the plaintiffs' agent in London.

This letter was received in London on Monday, February 25, 1901, and was mailed by the plaintiffs' agent in London to the plaintiffs in New York, with the protest, on the first mail leaving England for New York; that this letter, with inclosure, was received by the plaintiffs in New York on March 11, 1901; that on February 18, 1901, when the plaintiffs first received word by cable that the check or bill had been presented and payment refused, the plaintiffs notified the defendants that they had received a cable from London stating that the drawees would not pay the check or bill owing to differences between the sellers and buyers not yet settled; that this letter was delivered to the defendants at their office of the plaintiffs on February 18, 1901; that on February 25, 1901, the plaintiffs received from their London correspondents a letter informing the plaintiffs in detail of the presentment and non-payment of the check, and on the same day the plaintiffs wrote a letter to the defendants stating the substance of the communication that they had received from their London agents, which letter was received by the defendants on the same day, but no answer appears to have been given by the defendants; that the check or bill, with the certificate of protest, was received by the plaintiffs on March 11, 1901, and on the same day the protest, with a memorandum of the expenses, was sent to the defendants; that in reply to this the defendants wrote to the plaintiffs saying that the unauthorized action of the plaintiffs' Vienna representative "in neither collecting nor protesting the draft in proper time, nor giving any advice concerning it, has placed the entire transaction in such a position that we cannot properly allow any further responsibility to rest upon us in the matter"; that the plaintiffs thereupon demanded of the defendants the repayment of 2,072 7-6 pounds sterling,

equivalent to $10,102.83, being the amount of the check, with the protest and other charges, which payment was refused; that the iron was subsequently sold in Scotland and realized the sum of $5,738.38, which appears to have been received by the plaintiffs, leaving an amount of the draft unpaid of $4,364.45.

The referee further found that under the laws of the Empire of Austria a demand or sight draft or check, whether foreign or domestic may be presented for payment as frequently as occasion requires within two years after its date, and each such presentment is legally effective; such laws do not provide for protest of such check for non-payment or for notice to drawer or indorser, and that no agreement was ever made that the instrument set forth in the amended complaint should not be duly presented and protested in case of non-payment, and notice of such non-payment and protest given to the defendants, nor waiving any rights of the defendants in these respects; and that the defendants never waived nor made any agreement to waive the effect of the non-protest of the instrument set forth in the amended complaint, or that due notice of the non-payment thereof had not been given to them; and that the defendants never made any agreement to pay the plaintiffs the amount called for by the instrument set forth in the amended complaint, or any part thereof, notwithstanding the failure to protest the same for non-payment; and as a conclusion of law the referee directed a dismissal of the complaint.

INGRAHAM, *J.*: It is claimed by the plaintiffs that the law regulating the protest of instruments of this character and the notice necessary to hold the defendants as the drawer of the instrument was the law of the Empire of Austria; while, on the other hand, it is claimed by the defendants that the law regulating the liability of the drawer of the instrument, applicable, was the law of the State of New York.

The learned referee held, and we think quite correctly, that the liability of the defendants was to be determined by the law of the State of New York. The sale of this check or draft was made in the City of New York. Upon the completion of that transaction the title of the check or bill vested in plaintiffs. They then became its owner, and as security therefor held the title to the iron upon the steamer, the bill of lading of which was indorsed over to the plaintiffs at the time of the delivery of the check or bill to the plaintiffs. The defendants thereafter had no interest in or control over either the check or bill, or the iron which had been shipped and which was represented by the bill of lading. No liability of the defendants to the plaintiffs then existed. The only obligation of the defendants was to the holder of the bill or check if it was dishonored, and the obligation that then arose was an obligation to pay the amount of the bill in the State of New York, where it had been originally negotiated.

The obligation of the defendants, therefore, if it arose at all, was to be performed in the State of New York, and is to be governed by the laws of that State. This rule is stated in the Am. & Eng. Enc. of Law, 2d ed., vol. 22, page 1346. (See also Carroll vs. Upton, 2 Sandf. 171; Allen vs. Merchants' Bank of New York, 22 Wend. 215, and cases there cited.)

As to whether or not the defendants were discharged by a failure to protest this instrument for non-payment depends upon the nature of the instrument—whether it is a check or bill of exchange; but that question is now settled by the Negotiable Instruments Law (chap. 612 of the Laws of 1897). Section 321 of that act defines a check as a bill of exchange, drawn on a bank, payable on demand; and section 210 defines a bill of exchange as an unconditional order, in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand, or at a fixed or determinable future time, a sum certain in money, to order or to bearer. As the instrument in question was not drawn on a bank and was not, therefore, a check, it came within the definition of a bill of exchange contained in section 210 of the act. Section 213 of the Negotiable Instruments Law provides that an inland bill of exchange is a bill which is, or on its face purports to be, both drawn and payable within this State. Any other bill is a foreign bill. Under this section this instrument was a foreign bill of exchange. It is also provided by the Negotiable Instruments Law that a failure to protest this bill upon its dishonor discharged the defendant. Section 260 provides

that where a foreign bill which has not previously been dishonored by non-acceptance is dishonored by non-payment, it must be duly protested for non-payment; that if it is not so protested, the drawer and indorser are discharged. Section 261 provides how such protest must be made, and section 263 provides that such protest must be made on the day of dishonor.

Upon the undisputed facts in this case I think the bill was dishonored upon the day when first presented for payment. It called for payment on demand. The bill was presented to the drawee for payment. It was not paid, and was therefore dishonored. If, however, there can be any doubt about the dishonor of the bill when first presented, based upon a withdrawal of the presentment by the agent who had it in charge, there can be no doubt but that the bill was dishonored when it was presented on February 12, 1901, payment formally demanded and refused; and, consequently, under section 260 of the Negotiable Instruments Act, to which attention has been called, the drawers were discharged. If it were necessary to show that this failure to give to the defendants notice of the dishonor of this bill caused damage to the defendants, the evidence clearly establishes that if the bill had been protested for non-payment when first presented, the defendants could have protected themselves from loss by selling the iron at Genoa where the steamer with the iron on board arrived sometime after the bill was first presented and dishonored. Under the law of this State, however, there is no question but that the failure to protect the bill discharged the defendants.

It follows that the judgment appealed from must be affirmed, with costs. All concur.

NEGOTIABLE NOTE—EFFECT OF EXTENSION BY OTHER INSTRUMENT.

Supreme Court of Nebraska, February 9, 1905.

SWAN *vs.* CRAIG, *et al.*

Where at or about the maturity of a negotiable instrument the time of payment of the indebtedness evidenced thereby is extended by a written agreement of the parties upon a valid consideration, the agreement being independent of and collateral to the original contract, such extension does not continue the commercial characteristics of the note as unmatured negotiable paper.

The maker of an non-negotiable instrument, who has no notice of a transfer thereof, may make payment to the original payee.

This action was brought for the purpose of foreclosing a real estate mortgage executed by the defendants to the Omaha Loan and Trust Company. Soon after the execution of the note and mortgage, and before the maturity of the debt, the plaintiff, by purchase in the due course of business, became the owner and holder thereof by assignment. In the assignment the mortgagee, the Omaha Loan and Trust Company, guaranteed the collection of the principal and the prompt payment of the coupons attached for interest accruing according to the terms of the principal document. The place of payment was fixed at the Chemical National Bank of New York City. The interest coupons were paid by the makers in all instances to the Omaha Loan and Trust Company.

It also appeared that as these interest coupons matured they were presented by and paid to the plaintiff at the Chemical National Bank, the designated place of payment, she never having any communication with the Omaha Loan and Trust Company, the payee. The coupons when surrendered at the place of payment, and when paid to the holder, were returned to the loan company, who in turn, after stamping most of them "Paid" with the loan company's stamp, sent them by mail to the makers. This appeared to have been the course of dealings between all three parties during the entire time the loan was in existence and until the final payment of the principal by the debtor to the loan company. About the time of the maturity of the principal debt according to the terms of the original instruments the defendant executed a written agreement entitled "extension of farm mortgage bond," which in terms provided that the Omaha Loan

and Trust Company agreed to extend the time of payment of the principal debt for five years from maturity, and the defendant, on his part, agreed to pay the principal sum, with interest, according to the terms of ten interest notes, payable semiannually, and attached to the extension agreement. About five years afterwards, and just prior to the maturity of the principal debt as extended by the first agreement, the interest coupons in the meantime having been paid, another extension agreement was entered into between the defendant and the Omaha Loan and Trust Company, whereby the time of payment of the original indebtedness was again extended for a term of four years, coupons for interest being attached as before to the extension agreement. These extension agreements were both soon after their execution assigned to the plaintiff by a proper indorsement thereon by the Omaha Loan and Trust Company, one of the parties to the agreement. The plaintiff accepted such assignment, thereby acquiescing in and consenting to the extension of the time of payment of the original indebtedness according to the terms and conditions of such agreements.

At about the time of the maturity of the debt under the second extension agreement the defendant paid the interest then accrued, together with the principal sum due to the loan company; and this amount was never received by the plaintiff, the loan company shortly thereafter passing into the hands of a receiver. The district court, after trial on the evidence adduced, an epitome of which has been given, found the issues generally in favor of the defendant, and adjudged that the note and mortgage should be canceled. The plaintiff appealed.

Holcomb, *C. J.* (omitting part of the opinion): 1. The vital question in the case is whether the payment to the loan company, under the facts and circumstances as narrated, operates as a discharge and satisfaction of the debt, and whether the plaintiff is estopped by her conduct and actions in relation to the transaction from denying the apparent ownership and authority of the loan company to receive payment and cancel the indebtedness. The defendant, as he testifies, and regarding which there is no controversy, declares that in all matters connected with the loan, the extensions of the time of payment, and the payment of interest coupons and the principal, he dealt with the loan company under the belief that it was the owner and holder of the paper, and the one to whom payment might rightfully be made. This belief on his part arose not only out of the original transaction, but also by reason of their subsequent dealings of the kind and character heretofore referred to. Aside from the fact that the loan company was negotiating real estate loans and dealing in secured negotiable paper such as it might ordinarily be expected to negotiate and dispose of to third parties, there is nothing in the whole transaction which would advise the defendant that the paper in question had been actually indorsed and was held by some third party. Nor was there anything connected with the coupons for interest as they were paid and surrendered, nor the extension agreements entered into, nor the correspondence between the loan company and the defendant, which would serve to apprise the latter that the instrument evidencing the original indebtedness and the security thereof had been assigned or indorsed to others, or that their possession and ownership had passed out of the hand of the payee.

It is not to be doubted from the evidence that, as a matter of fact, the plaintiff purchased the original note and mortgage before maturity, paying full value therefor.

We are satisfied that the note or bond was negotiable in form, and by such purchase the plaintiff became clothed with all the rights of a good-faith purchaser of negotiable paper before maturity, and entitled to protection as such. It seems reasonably clear that, had no extension been made, payment to the loan company, it not having possession of the note. and the plaintiff having done nothing to warrant the belief that she had constituted the company her agent, with authority to collect the same, would have been unavailing as a defense.

It becomes material, therefore, to inquire as to what effect the execution of the extension agreements in the manner they were executed, and the participation of the plaintiff in and in connection therewith, and the dealings of the parties with respect thereto has on the rights of the plain-

tiff and the defendants. It is contended by plaintiff's counsel that such extensions revive and continue the negotiability and commercial character of the note or bond, and that during all of the time covered by the several transactions, and till the maturity of the debt according to the second extension agreement, she continued to be the holder of negotiable commercial paper before maturity, and that defendant dealt at his peril with any one other than the actual owner and holder regarding such unmatured paper. We are unable to accept this contention as being sound. The contract of extension is a simple executory agreement. It is devoid of the characteristics of a negotiable instrument. The loan company, as the ostensible owner of the note and mortgage, agreed to extend the time of payment of the debt for a period of five years in consideration of which the mortgagors agreed to pay the principal sum when due as thus extended, and interest thereon annually during the time of the extension at a given rate per cent. This contract was a subsequent, separate, and distinct agreement from the one originally entered into, which was evidenced by the note and mortgage now in controversy. The new agreement was independent of and collateral to the old one. The note and mortgage, after execution, were the subject of contract like any other property or chose in action. An agreement to extend the time of payment like any other agreement affecting the indebtedness, or one which might work a rescission of the contract, could, upon a valid consideration, be entered into. The original contract could, by a valid subsequent agreement, be altered, or altogether destroyed. (1 Daniel, Negotiable Instruments [5th Ed.] § 157.)

The rule as to construing contemporaneous agreements does not apply in a case of this kind. Nor would the rule as to memoranda on negotiable paper which requires its purport to be collected from its "eight corners" govern. The rule extends no further than that memoranda appearing on the back of negotiable paper affecting its operation must be construed the same as if written on its face. It is true an indorsement before the day of payment on negotiable paper postponing its maturity has been held to continue the negotiable character of the instrument until the postponed date of maturity. (Sagory vs. Bank [La.] 7 South. 633.) But this is upon the express holding that the indorsement must be considered as incorporated in, and made a part of, the paper, as though the postponed date of maturity had been originally written in the note. But this cannot be said of the subsequent independent agreement in the case at bar. On the other hand, it is held, where the time of payment of a negotiable note is extended by an agreement indorsed upon the back, one who takes it after its original maturity will be subject to all equities between the parties. (Marcal vs. Melliet, 18 La. Ann. 223; Dryer vs. Mercantile Bank, 4 Mo. App. 599.)

The contract for the extension for the time of payment of the original indebtedness in the case at bar neither adds to nor takes away from the negotiable characteristics of the note as originally executed. Such a contract might rest in parol, and, if such were the case, it would hardly be contended, we apprehend, that the negotiability of the note evidencing the original indebtedness would be kept alive during the period covered by the agreement of extension. The same rule as to the effect of the contract upon the negotiability of the instrument would apply either to a written or an oral agreement to extend the time of payment of the indebtedness. When the note in controversy had matured according to its terms, it was not thereafter subject to transfer by assignment or indorsement as live negotiable paper whose holder would be protected against defenses and equities that might be urged by the payors if it were in the hands of the payee or of those purchasing with notice. It became, after its maturity as any other dishonored negotiable instrument, and was thereafter a mere chose in action, subject to the laws applicable generally to contract rights and obligations stripped of the protection thrown around live commercial paper.

COLLECTIONS—DIRECTIONS TO "REMIT NEW YORK EXCHANGE."

United States Circuit Court of Appeals, February 15, 1905.

HODER *vs.* WESTERN GERMAN BANK.

Where paper is forwarded for collection, with a direction to remit New York exchange, this does not authorize the collecting bank to send its own draft, at least where such draft is not good.

Bank W forwarded to Bank F a draft for collection, with the direction "Please remit New York exchange." The latter collected the draft, and forwarded its own draft on its New York correspondent. Before this draft was presented, F bank failed, and the New York bank, acting on the direction of the receiver refused payment of the draft when presented: Held, that the W bank was entitled to claim the proceeds of the collection as a trust fund.

In error to the Circuit Court of the Southern District of Ohio.

This action was brought to recover from the Western German Bank of Cincinnati the sum of $4,000, being the amount of a check deposited with it for collection. The following statement of the material facts was found by the court:

"On March 10, 1903, the plaintiff, being the holder of a check for $4,000, drawn upon the Commercial Bank of Jacksonville, in the State of Florida, indorsed the same, 'For deposit,' and caused said check to be deposited for collection in the Western German Bank of Cincinnati, Ohio, where he was a regular depositor. Said check was received and credited subject to the conditions printed on the deposit ticket, delivered to defendant with the deposit, and in plaintiff's book in which the deposit was entered, to the effect that the Western German Bank received said check for collection only as the agent of the plaintiff, and that credit for the same would be given subject to its payment; that the bank would observe due diligence in the selection of banks or agents for the collection of the check, but should not be responsible for the failure or negligence of said banks or agents; and, further, that said check was received, credited, and forwarded at depositor's risk only until satisfactory returns should be received for the same.

On the same day that the check was deposited, viz., March 10, 1903, the officers of the Western German Bank duly forwarded said check to the First National Bank of Florida, at Jacksonville, in said State, for collection, accompanied by a letter wherein said bank was instructed to collect and return the proceeds of said check, with the further request to said First National Bank of Florida, 'Please remit New York exchange.' The First National Bank at Jacksonville, on the 13th day of March, 1903, received payment of the same, and on the same day forwarded to the Western German Bank of Cincinnati, by mail, a draft of said National Bank of Florida upon the Chemical National Bank of New York for $3,995, the amount of said check less $5 exchange or collection charges. This draft was received by the Western German Bank at the opening of business on Monday, March 16, 1903, and on the same day the First National Bank of Florida, before it could open its doors for business, was taken possession of by a Receiver acting under orders of the Comptroller of the Currency, and was and is insolvent, and is now being wound up by the Receiver so appointed.

On the same day the draft was so received from the First National Bank of Florida, and before the close of business hours, defendant was first informed of the insolvency of the First National Bank of Florida, and of the fact of its having been taken possession of by a Receiver. The Western German Bank forthwith forwarded the draft to New York for collection, but the Chemical National Bank, upon which the draft was drawn, acting under orders from the Receiver of the First National Bank of Florida, refused payment of the draft, and, although defendant afterwards demanded payment from the Receiver, and made all reasonable efforts to collect said draft, the same remains wholly unpaid.

The court further finds that it is, and was at the time of the receipt of this check by defendant for collection, a general and uniform custom among banks and bankers of the United States to remit, in the absence

of instructions to the contrary, the proceeds of checks, drafts, notes, and other instruments sent to them for collection by means of drafts or bills of exchange drawn upon banks located in the larger cities of the country, and that a great majority, probably three-fourths, of all remittances, are made by means of drafts upon banks located in the city of New York."

The court's conclusion of law upon these facts was:

"That the Western German Bank, in requesting said First National Bank to remit in New York exchange, did not exceed its powers as agent, or act outside the terms of its agency for the plaintiff, and did not thereby change its relation to the plaintiff or to the First National Bank of Florida, and is therefore not liable to plaintiff upon the cause of action set forth in the petition, and is entitled to recover from plaintiff its costs."

Severus, *Circuit Judge*: The plaintiff contends that the defendant, in giving the direction to the First National Bank of Florida, "Please remit New York exchange," authorized the collecting bank to remit the collection in its own draft on a New York bank, and thereby change its relation to the defendant from that of a trustee to that of a debtor, whereby the claim for the collection made by the Florida bank lost its priority in the distribution of the assets of the latter on its going into liquidation. By the conditions of the plaintiff's deposit of the check with the defendant for collection, the defendant became his agent for the purpose of sending it forward to some other bank or collecting medium, which, in proceeding with the collection, would become, as between the plaintiff and the defendant, the agent of the plaintiff. The defendant contends that there is a custom among bankers whereby the collecting bank remits its collections in New York exchange, and the finding of the court is that this custom is uniform, in the absence of instructions to the contrary. But the finding does not state whether this custom is that the collecting bank remits exchange by means of drafts of other banks on New York banks, or whether the custom permits the remittance to be made in the collecting bank's own drafts also. But we do not think it material. The direction of the defendant to the Florida bank should be read in the light of the custom, and meant no more that that which the custom sanctioned.

But other considerations lead more directly to the determination of the controversy. The Florida bank was an agent in making the collection. When it had made the collection, it held it in trust. If it mingled it with its own funds, the trust attached pro tanto to the funds. (National Bank vs. Insurance Co., 104 U. S. 54, where the principle vindicated in Knatchbull vs. Hallett, 13 Ch. Div. 696, by Sir George Jessel, M. R., is fully confirmed.) When it sent its own draft as the remittance, it did not operate as a satisfaction of its obligation, unless the draft should be paid, there being no agreement to receive the draft as payment. This would be so in the case of a common debt. And certainly the reasons for the same rule are not less where an agent transmits to his principal his own note or draft to provide means for the satisfaction of a trust obligation on account of funds received for his principal. The facts show that the draft of the Florida bank was uncollectible, that the payment of it was forbidden by the Receiver, the party upon whom the right of the bank had been devolved.

The trust relation between the plaintiff and the Florida bank was not discharged by such a remittance, and the collection went into the hands of the Receiver subject to the trust. If the remittance of the draft were to be regarded as provisional payment, the result would be that, in case the draft should not be paid, the parties would be remitted to their former position. In such a case there would be no sound reason, as we think, for holding that the debt had lost its privileged character by a proceeding of the party owing it, unless the party to whom the debt is owing expressly assents to the change of relation between himself and his agent. The bank could not rid itself of that relation and become the mere debtor of the plaintiff by its own act. The trust was part of the plaintiff's security. Neither the plaintiff nor the Western German Bank, in his behalf, ever consented that the Florida bank should cast off the trust and become the plaintiff's debtor. It would be a most absurd consequence if a man in the possession, as an agent, of a fund belonging to another, could convert the fund into his own property by sending his check to the owner,

and, then, upon some change in his own circumstances, direct his bank not to pay it, and so transform himself into a debtor. Of course, if the owner consents to such a change of relationship between himself and his agent, or where the circumstances indicate that a credit in account is expected, which is the same thing, the result is different, because the destination of the fund is altered by agreement. But here there was no such agreement. The check was sent for collection and remittance. Satisfactory proof should be required that the owner assented to such change, in view of the consequences which would ensue. A man might be willing to trust another with the collection of his money when he would be very unwilling to loan it to him.

It would seriously impair the facilities for collecting commercial paper if it should be exposed to the hazards of conversion by the agent into whose hands the proceeds might come. By agreement of the plaintiff and defendant, the Florida bank became the plaintiff's agent, and the defendant is not responsible to the plaintiff for the failure of its agent to fulfill the obligations of his trust, and we think the plaintiff's remedies have not been impaired by any fault of the defendant.

If the remittance were by drafts of other parties, it may be that the presence of other considerations would require a different conclusion. But the custom referred to, if it gave the collecting bank the power to thus change the character of its obligations to its principal, would be palpably inconsistent with settled rules of law. But when interpreted in harmony with such rules, probably it would be unobjectionable.

We have stated the relations of the collecting bank, and its obligation, upon the assumption that the relations were with, and its obligation to, the owner of the check. But if upon the form of a general indorsement, without more, the Western German Bank appeared to be the owner, and the relations of the Florida bank were therefore, in technical law, with the former, the result would not be different, for all that has been said of the nature of the Florida bank's obligations would be equally applicable, and all the advantages of the right of the Western German Bank would inure to the plaintiff.

The prime reason which supports the judgment of the Circuit Court is that the injury suffered by the plaintiff consists in the failure of his agent, the Florida bank, to discharge its duty to transmit the trust fund to the Western German Bank, for which failure the latter is not responsible.

The direction to remit in New York exchange did not authorize the remittance of the collecting bank's own draft, which, being valueless, would not effect the purpose of a remittance.

The judgment is affirmed, with costs.

NOTES OF CANADIAN CASES AFFECTING BANKERS.

[Edited by John Jennings, B.A., LL.B., Barrister, Toronto.]

BILLS OF EXCHANGE—INDORSEMENT IN BLANK—ALTERATION OF SPECIAL INDORSEMENT—SUBSEQUENT SUBSTITUTION OF NAME OF NEW SPECIAL INDORSEE.

Sovereign Bank of Canada vs. Gordon (9 Ontario Law Reports, page 146).

Statement of Facts: This was an appeal by the defendants from the judgment at the trial in the County Court of the County of York. Defendants denied that the plaintiffs were holders of the said note and alleged that the note had been obtained by fraud on the part of the payee. After the pleadings were at issue, the defendants moved to change the place of trial from Toronto to Sault Ste. Marie. The motion was argued in chambers and an order was taken out reciting that "the plaintiffs, by their counsel, undertaking to prove at the trial as part of their case that they are entitled to the rights of a holder in due course, as defined by section 29 of the Bills of Exchange Act, of the note in question in this action, and in default of such

proof that the action shall be dismissed as against them with costs." At the trial judgment was given for the bank, and this appeal was then taken.

The note sued upon was made to the order of G. M. Boyd, who indorsed it in blank and delivered it to a firm of Graham Brothers about ten months before it became due. Graham Bros. then delivered it to the Standard Bank at Stouffville as collateral security with other notes for an overdraft of some $13,800 owed by them to the bank. The Manager of the Standard Bank, upon receiving this note, stamped on the back over the blank indorsement of G. M. Boyd the words: "Pay Standard Bank of Canada or order," thus converting it into a special indorsement to that bank.

In April, 1903, the Sovereign Bank of Canada at Stouffville agreed to take over from the Standard Bank the account of Graham Brothers, and paid the Standard Bank the $13,800 due them and received from them the collateral notes made by them, including that sued on in this action. The Managers of the two banks met to complete the transfer of these collateral notes, and as each note was handed to the Manager of the Sovereign Bank he stamped the words: "Pay to the order of the Sovereign Bank of Canada," over the words already existing there so as partly to obliterate them, but not so that both indorsements cannot be plainly made out. The Manager of the Standard Bank initialed the alteration effected by the second stamp.

JUDGMENT (FALCONBRIDGE, *C.J.;* BRITTON AND STREET, *JJ.*): The judgment of Chief Justice Falconbridge was as follows:

This is an action upon a promissory note brought by the plaintiffs against the defendants as joint and several makers thereof, which note is for the sum of $433.33, payable on March 1, 1903. The note was made payable to the order of one G. M. Boyd, who transferred it to Graham Bros., indorsing the same in blank. Graham Bros. transferred the note in question to the Standard Bank of Canada, who subsequently transferred it to the plaintiffs, the Sovereign Bank of Canada. I find on the evidence that G. M. Boyd, the payee of the note in question, transferred the same to Graham Bros. by his indorsement on the note in blank, who thereupon became the holders thereof in due course—that is to say, taking it before maturity for valuable consideration, and without notice of anything which would vitiate the same in the hands of an innocent holder. I also find that the note being so indorsed in blank by G. M. Boyd was transferred by Graham Bros. to the Standard Bank for valuable consideration, and before maturity thereof, and without notice to the Standard Bank of anything which would vitiate the note, and that the Standard Bank thereupon became the holders of the said note in due course. I find on evidence that the Standard Bank, after having received the note so indorsed by Boyd in blank, placed above the signature of Boyd their bank stamp, making the same payable to themselves or order, thus converting the indorsement by Boyd into a special indorsement. I find on the evidence subsequently, the Standard Bank, after the note became due, transferred the same to the Sovereign Bank by delivery of the note to them for valuable consideration and without notice of anything affecting the validity of the note, and at the time of such transfer there was stamped on the promissory note over the stamp of the Standard Bank the stamp of the Sovereign Bank, making the same payable to the Sovereign Bank. I find that this stamp was placed on the note at the instance of the Standard Bank, and was initialed by the Manager of the bank, and that the whole transaction was intended by both banks to be a transference of all the right, title and interest of the Standard Bank in the note in question. These findings, I think, dispose of the question raised at the trial that the plaintiffs are not the holders of the note and entitled to maintain an action thereon.

I agree with the learned trial judge in holding that the transaction was intended by the banks to be a transfer from the one to the other, and that the plaintiffs are therefore holders in due course. The mode adopted, no doubt with a view of saving a little time and trouble, was a very rough and ready one, and one that, in view of the conflict of judicial opinion on the subject, is not likely to be adopted in the future.

Formerly, when a bill was once indorsed in blank, its negotiability could not afterwards be restrained by a special indorsement. And in the United States it has been often held that where the draft or bill was indorsed by the payee in blank, and was by the next holder indorsed specially, the first indorsement being in blank, the bill was afterwards transferable by mere

delivery, and that a holder by delivery may strike out the special indorsement, and in a suit against the acceptor declare and recover as the indorsee of the payee. (See Mitchell vs. Fuller [1850], 15 Pa. St. 268; Johnson vs. Mitchell [1878], 50 Texas 212, stating the rule: "If a bill be once indorsed in blank, though afterwards indorsed in full, it will still, as against the drawer, the payee, the acceptor, the blank indorser, and all indorsers before him, be payable to bearer, though as against the special indorser himself title must be made through his indorsee." (Bank of Utica vs. Smith [1820], 18 Johns. N. Y. 229 (where, however, the holder filled up the blank merely for the purpose of collection); Habersham vs. Lehman [1879], 63 Ga. 380.)

It is said, however, that since the Bills of Exchange Act was passed (sec. 8, sub-sec. 3) this is no longer law; (Byles, 16th ed., p. 178, note (c); Maclaren, 3d ed., p. 67).

I rest my judgment, therefore, on the ground taken by the learned trial judge.

CONTRACT — ILLEGALITY — UNDULY LESSENING COMPETITION — TRADE ASSOCIATION — CRIMINAL CODE S. 520 (D) — CHECK — CONDITIONAL PAYMENT — BILLS OF EXCHANGE ACT.

HATELY vs. ELLIOTT (9 Ontario Law Reports, page 185).

STATEMENT OF FACTS: This was an appeal by the defendant from the judgment of the County Court of the County of Brant, directing the plaintiff to pay the sum of $200 and costs. The action was brought upon a check given under the following circumstances:

The coal importers of the City of Brantford formed an organization and bound themselves not to sell below a fixed price and that any member who did so should become liable to the association for one dollar for every ton so sold. Where tenders for supplying public institutions were under consideration, the members fixed the minimum price at which the coal should be supplied and then auctioned the contract among themselves, the price paid to be distributed among the members. Among other contracts one for the public schools of the city was put up and sold to the defendant for $212. The plaintiff was secretary-treasurer of the association. Afterwards the defendant wrote the plaintiff saying:

"I enclose you check for the sum of $212 payable to your order on the following conditions: 'That the contract for the schools is to be awarded to me, and the same commenced and binding, tenders being received on the 20th day of the current month. I will notify you when the same is effected, when you will be at liberty to cash the check, and divide as arranged for.'"

The check was marked on it's face "Check conditional deposit."

Coal having advanced ten cents a ton in price, and the association having declined to make this allowance to Elliott, he stopped payment of his check. Action was then brought and the defences were:

1. That the check was given conditionally;
2. That the association came within the Criminal Code and that the transactions giving rise to the check were illegal.

JUDGMENT (MERDITH, *C.J.*, MACMAHON AND TEETZEL, *JJ.*): As to the first defence raised. A check is defined by sec. 72 of the Bills of Exchange Act, 53 Vict. ch. 33 (D), as "a bill of exchange drawn on a bank payable on demand." And sec. 3 defines a bill of exchange as "an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay, on demand or at a fixed or determinable time, a sum certain in money to or to the order of a specified person, or to bearer."

Counsel for the plaintiff contended that the words, "check conditional deposit," written on the face of the instrument were not such qualifying words as made it conditional.

At the trial, the plaintiff was a witness on his own behalf, and produced the constitution and by-laws of the association, and gave evidence as to the sale by auction to the defendant of the public school contract, and his letter enclosing check, etc.

In his written judgment, the trial judge says that on the evidence he

would not be justified in finding that the operations of the association were such as to unduly lessen competition, or otherwise so as to bring its members within the provisions of sec. 520 of the code. What constitutes a criminal offence by sec. 520, sub-clause (d) of the code is a combination, conspiracy or agreement, "to unduly prevent, limit, or lessen competition in the * * * purchase, barter, sale, or supply" of any article or commodity which may be the subject of trade or commerce.

Whether or not the eight or ten persons and firms who comprised the association (the defendant being one) and became bound by the constitution and by-laws, had conspired to "unduly prevent or lessen competition" in the price of coal, evidence was necessary in order to show that competition in the sale of the article named had been "unduly" prevented. For instance: If three importers of coal in a town enter into an agreement to fix from time to time, as between themselves, the price at which they will sell coal to dealers supplying the consumers, who must agree not to sell to consumers at a less price than that fixed by such importers, it could hardly be said that competition in coal had been "unduly prevented" if there were five other importers in the town who sold to dealers without imposing any restrictions as to the price at which they should sell to consumers.

It appears, however, that all the importers of coal in Brantford were members of the association, and all became bound not to sell below the prices fixed by the association, and any member selling at less than the fixed price became liable to the association in the sum of one dollar for every ton of coal so sold. That without more is sufficient to show that the combination was of a character which must "unduly" prevent competition in the sale of coal. But in addition to what appears in the by-laws there was evidence as to the method adopted of dealing with tenders for supplies of coal to municipal bodies, by fixing the minimum price and putting up the contracts for sale by auction amongst the members of the association, the unsuccessful bidders not being permitted to tender at as low a figure as the purchaser of the contract, and this is a striking illustration of the manner in which the association absolutely prevented competition in selling coal to the municipal bodies.

The finding of the county court judge should, therefore, be reversed, and the finding should be that there was an agreement by the members of the association to "unduly lessen competition in the sale of coal."

The plaintiff was serving as the agent of the partners forming the association, and as the evidence given by him at the trial showed that the association was an illegal one within sec. 520 of the Criminal Code, he cannot recover.

The defendant was indicted as a member of a somewhat similar organization known as the Ontario Coal Association, for an offence against sec. 520 of the Code, and was tried before Mr. Justice Meredith, in April 1903, who found him guilty. That learned judge gave a written judgment, which has not yet been reported. The defendant appealed and the conviction was affirmed by the Court of Appeal.

The judgment appealed against must be set aside, and judgment directed to be entered for the defendant dismissing the action. I think, however, there should be no costs to either party in the court below or of the appeal.

LIMITATION OF ACTIONS—PROMISSORY NOTE—PART PAYMENT—HUSBAND AND WIFE—PAYMENT BY HUSBAND OUT OF WIFE'S MONEYS—EVIDENCE OF.

Harris vs. Greenwood (9 Ontario Law Reports, page 25).

Statement of Facts: The action was upon a promissory note made by W. W. Greenwood, since deceased, and his wife Mary J. Greenwood. A judgment was given by default against W. W. Greenwood's estate, but the widow defended, pleading that the action was barred by the Statute of Limitations. It was contended that payments had been made by the husband, a joint maker, within the period of six years, and that payments made by him were sufficient to bind the other joint maker.

Judgment (Teetzel, *J.*): The defence chiefly relied upon was that of the

Statute of Limitations, in reply to which the plaintiff sought to establish that these payments were out of money to which the defendant Mary J. Greenwood was entitled, and were made by her husband with her authority.

In my opinion, the evidence falls short of establishing either that the payments or any of them were made out of the wife's money, with her knowledge and consent, or that in making any of the payments the husband was acting as her agent. The fact, which I find, that the husband had general authority to collect certain rents belonging to the wife, and was allowed by her without objection to apply the same either for his own benefit or hers, as he saw fit, would not, I think, constitute him her agent, so that by payments (out of the money so collected) on account of the note he could either continue or renew her liability upon a joint note which, but for such payments, would be barred by the Statute of Limitations.

Payments made by one of two joint makers will not take the case out of the statute as against the other, unless made expressly as his agent and by his authority.

While the husband did make collections for the wife, and did not account to her fully for same, there is no evidence that any part of such collections was ever specifically applied by him upon the note. It is, however, clear that if he did so apply same, it was without her knowledge or express consent.

While this note was outstanding, the husband caused to be conveyed to the wife several parcels of encumbered real estate, the equity of redemption in which would have been available in his hands to pay plaintiff; and while I must direct the action to be dismissed, I think under the circumstances it should be without costs.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be promptly sent by mail.

Editor Bankers' Magazine: St. Cloud, Minn., May 15, 1905.

Sir: Is the payee of a check who presents same at the bank on which it is drawn compelled to endorse; and, in the event of being a stranger, to secure identification? If the bank is expected to secure such identification, has it a reasonable time in which to do it? These questions brought out considerable discussion in a recent "group" meeting, and I would like your advice.

W. W. SMITH, Cashier.

Answer.—When the payee or indorsee of a check presents the same to a bank for payment, the act is not a *negotiation* of the instrument; but it is a demand of payment, and the holder is in precisely the same situation, for example, as the bank itself is in when it presents to any individual a draft drawn upon him to its order. Hence, there is no necessity that the payee or indorsee put his indorsement upon the check, when he personally presents the same, and the bank has no right to insist that he shall do so. But as such an indorsement affords the most convenient evidence that the payment was in fact made to the proper person, it is usual for banks to request such an indorsement, and reasonable men are generally willing to give it. As to what is a sufficient identification of a payee or indorsee, that is a matter for the bank itself to determine; for its obligation to pay to the proper person is absolute, and if it pays to the wrong person, it cannot charge the check to the drawer, no matter how much care it may have exercised. Where identification is necessary, the bank undoubtedly would have a reasonable time in which to make it, but what would be such a reasonable time would depend upon the circumstances of the case.

High Finance Defined.—It is high finance when somebody else does big things with your money for himself.—New York Press.

ONE DAY IN A FOREIGN EXCHANGE DEPARTMENT.

[Address delivered before the New York Chapter American Institute of Bank Clerks, by LEOPOLD FRIEDRICH, of the National City Bank (Foreign Department), New York City.]

The modern foreign exchange department is a bank by itself, having its own working capital, as well as bookkeeping, collection, credit and mail departments.

The transactions in a foreign department are so diversified that it would be impossible for me, to-night, to speak of more than the most important ones.

When the manager of a foreign exchange department arrives at his office at 9 o'clock in the morning, he finds his cable clerks busy translating cables which contain in first line exchange quotations, money rates, the price of gold in the principal financial centres of the world, etc. Of course, these telegrams may also contain orders for payments; inquiries as to the credit of firms; invitations to participate in European bond issues; offers, if money is high, to loan funds in New York, etc.

It speaks well for American credit, that nowadays one short cable is sufficient to put at the disposal of New York bankers millions of European capital to be employed in this country at remunerative rates.

Through these cables the manager gets a general knowledge of the political and financial situation in Europe. But that is not all. He has to be posted on the monetary outlook, the condition of the stock market in New York, the foreign trade figures of the United States, and he has to know if he has funds to his credit or if he is a debtor on the other side, before he can begin his transactions. The exchange market, which opens at 10 o'clock, is carried on in the offices of the principal banks and bankers having foreign departments; in most cases through brokers. The market on active days changes continually because there are so many influences at work, rumors afloat, and besides exchange manipulation has its experts just the same as the stock market. Often contracts for future deliveries are made.

The foreign exchange manager will purchase bills issued by bankers and merchants, payable on demand, or drawn at three, ten, thirty, sixty or ninety days. Bills drawn by merchants are in most cases accompanied by shipping documents. Against these bills the foreign banker sells his own check or cable transfer. A check is payable on the other side in about nine days, while through a cable transfer, the beneficiary is put in possession of funds the same or the day following the purchase. Of course, for a cable transfer, about ⅛ per cent. more must be paid, which premium represents interest. At 3 o'clock the market closes, and the delivery of exchange bought begins. The bill division of a foreign department at this time, represents truly the export trade of the United States. You will find bills drawn on Switzerland against cotton grown in Carolina; on England against wheat shipped from Chicago; on Germany against fruit raised in California; against hardware manufactured in Pennsylvania and forwarded to Australia; against Milwaukee beer for China, etc.

The import trade is concentrated in the division for commercial credits. There you will see shipping documents relating to silk imported from Japan, raw hides coming from Argentine, rubber from Brazil. Most of the shipments have been made against credits opened in London for account of American importers. You will notice, too, bills which have as a basis credit only, so-called finance bills, of which you heard so much a few years ago. These bills are drawn mostly in pounds sterling, when the money rate in New York is high, and low in London. They are simply means of getting cheap loans.

By this time, too, the arbitrageur makes up his foreign position in order to ascertain the day when he will receive credit for exchange bought, and when he will be obliged to cover his drawings abroad. He will order cable transfers which he has sold, telegraph for the cheapest discount rates for his

time bills bought in the course of the day, and inform his correspondents of the exchange rates in New York. Probably with some of his friends he may do business on joint account, and in this case he cables what he has bought or sold. Then he begins to figure.

He sees that he has in London more sterling to his credit than he will need, but that he is shy of funds in Rotterdam. Therefore, he transfers sterling to Holland, asking his correspondent to sell them and credit his account for the equivalent in Dutch money (guilders). Or he finds through his calculations that it will pay him better to buy marks in Paris, than he would be able to do in New York. He asks his friend in the French capital to buy German exchange and transmit it to Berlin for his account.

This transaction creates a debit in Paris, and he will endeavor to settle it in the cheapest way. He knows that French checks in New York are very scarce, so he will try to cover in Switzerland or Austria, where he has funds at his disposal. But when the quotations from these countries come in too high, a little more calculation will tell him that the most profitable way in this case is to ship gold. Thus you will see that gold leaves the United States only when exchange becomes too expensive. On the contrary, gold is imported when exchange in New York can only be sold at such a low rate that it pays better to invest in gold funds held abroad and have it sent over.

An important branch of the foreign business is also the issuance of letters of credit. With the growth of individual wealth, the Americans have become great travellers, and in a large foreign department it is an ordinary occurrence to see people about to start on a trip around the world, asking for circular letters of credit. Drafts drawn against such travellers' credits foot up to a big total at the end of the year, and they influence to a certain extent the rate of exchange.

Through the enormous expansion of the foreign trade of the United States, the foreign exchange department has grown to such proportions that to-day it is a very prominent factor in American finance.

The time is not far off when the American manufacturer will be master of the important industrial markets of the world, when American stocks will be quoted on all Continental stock exchanges, when large amounts of American capital will seek investment abroad; then the foreign department will reach a dominant position ultimately causing the shifting of the money centre of the world from London to New York.

Currency Measures in Mexico.—It is noteworthy that the decree regarding currency reform makes Mexico's plans in this respect correspond more closely to the method that has been adopted by the United States in the Philippines, by Japan, and by Great Britain in some of her oriental possessions—the so-called "limping standard"—than was indicated in the Limantour message of last November. In that message it was expressly stated that it was deemed unnecessary, for the present at least, to establish a gold reserve for the definite and express purpose of maintaining the new ratio fixed for the Mexican silver dollar by selling drafts on foreign markets in gold, or in other ways. However, the President's decree as now promulgated contains definite provision for such a gold reserve.—*James A. Le Roy, Consul, Durango, Mexico.*

Gold Production in Japan.—Under date of March 2, 1905, United States Consul-General E. C. Bellows, Yokohama, transmits the following extract from the "Japan Gazette" of the same date:

"Since the opening of hostilities gold mining in Japan has been encouraged by the Government to aid the specie reserve fund. The Government endeavors have proved successful, and about 8,500,000 or 9,000,000 yen [$4,233,000 or $4,482,000] worth of gold was mined in the interior from March to December last. If the amount is added to the output in Formosa during the same period, it will reach 10,000,000 yen [$4,980,000], and if the products in Japan until February this year be included, the total will exceed 12,000,000 yen [$5,976,000], against 6,000,000 yen [$2,988,000] in ordinary years."

A CREDIT LEDGER.

Appreciating the value of analyzing a business and uniformly recording these analyses at regular periods, in order that the directing power may know and understand the basis that the business is operating on, I propose to submit a series of articles showing a simple but comprehensive system for making and tabulating analyses in banks.

Letter-file, folder and cabinet systems are so expensive, considering amount of labor, materials and floor space required, and in addition present such a bewildering multiplicity of indexes, that they fail to answer the demand for a practical, quick, ready-to-the-hand reference system.

Hence, we are obliged to adopt a loose-leaf ledger as the best reservoir for all analysis information. Of the few good patterns, the Rand ledger, with its metal indexes, for insertion of the names of accounts, attached to movable canvas sheets (permitting the division of the book into sections or departments of any desired size), and the blue tabs enabling immediate location of an account, is especially devised to meet the demand for an analysis or credit ledger.

For the present I will take up one section: rulings suitable for recording and analyzing bank statements. Figs. 1, 2, 3, and 4, requiring but two sheets, cover designs for National banks. Figs. 1, 4, 5 and 6 answer for trust companies, State banks or Savings banks. The forms embrace blank headings to provide for special needs or modifications that may occur to the reader.

As to procuring statements, various opportunities will present themselves. National banks must publish five reports during the year, and as a rule State banks are required to report quarterly and trust companies and Savings banks semi-annually. The statements of home (local) banks as published should be copied into the credit ledger and the information thus obtained supplemented later by the additional facts given in the annual reports issued by the Comptroller of the Currency, and the State Banking Departments. When an analysis of a correspondent is desired, a tactful letter enclosing one of your own statements will bring back a copy of the correspondent's last report.

Surely, it is a necessity and of immense interest to any management to know the trend of local banking. Likewise, it is of especial profit to have a watchful gauge on competition. Conditions are best judged, not from the imagination or rumor, but from a reasonably comprehensive view of what an institution is doing. Will this not show itself in tabulated statements if in comparative analysis form? It must; it could not do otherwise.

What are the deposit lines? The loan items? Investment holdings? The increases or decreases? The earnings made and the basis they are made on? The wisdom shown in the selection of investments and the kinds especially catered to? The relative expenses? These and various other queries often intrude upon the minds of bank managers. They would be well answered by a comprehensive credit ledger. Then, too, aside from not overlooking the competition of neighbors and relative matters, we should not be unmindful of the pertinent question, solvency of debtor banks.

In addition to carrying deposits with reserve or correspondent agencies and because of the higher rate of interest usually obtainable outside the money centres, trust companies and Savings banks generally place a portion of their funds in commercial banks of their own vicinities—practically call loaning. While banks do not break frequently, when they do, as an average proposition, nevertheless, it is at the end of a gradual movement toward insolvency; and it would seem as though an anlysis, even as infrequently as semi-annually, ought to disclose the slightest tendency to weakness, and permit watchful people to stand from under.

It is obvious that any consideration governing trust companies or Savings

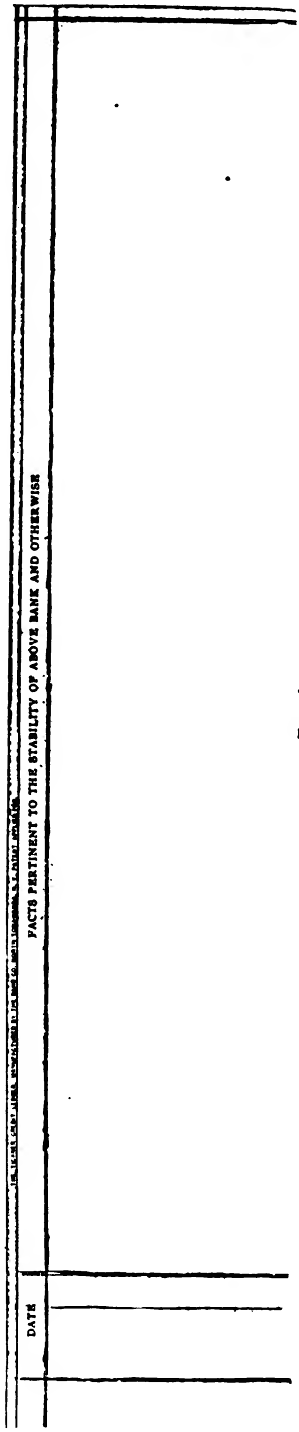
DATE
FACTS PERTINENT TO THE STABILITY OF ABOVE BANK AND OTHERWISE

FIG. 1.

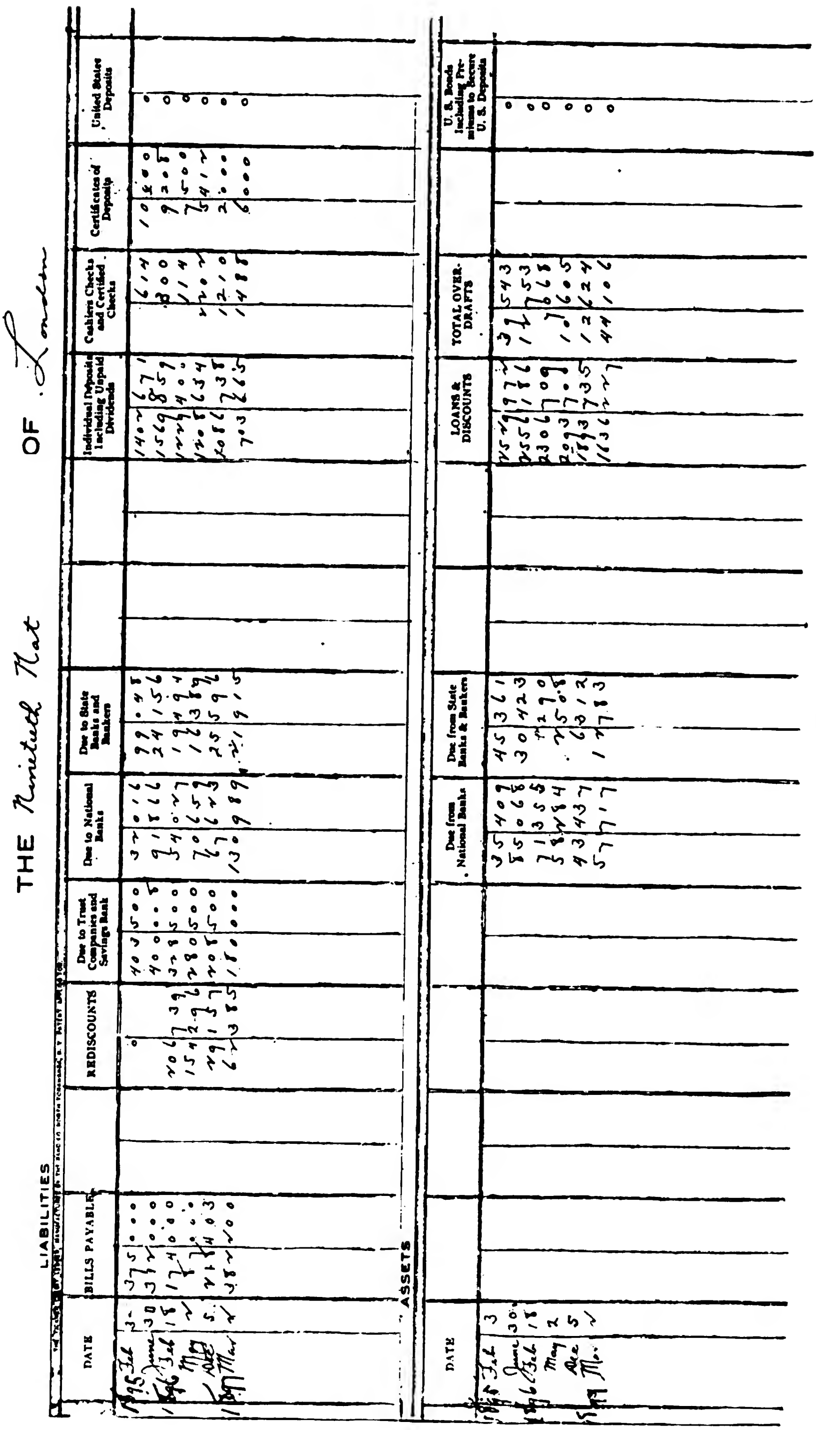
THE Ninetieth Nat OF London
LIABILITIES
DATE
BILLS PAYABLE
REDISCOUNTS
Due to Trust Companies and Savings Bank
Due to National Banks
Due to State Banks and Bankers
Individual Deposits Including Unpaid Dividends
Cashiers Checks and Certified Checks
Certificates of Deposits
United States Deposits
ASSETS
DATE
Due from National Banks
Due from State Banks & Bankers
LOANS & DISCOUNTS
TOTAL OVERDRAFTS
U. S. Bonds Including Premiums to Secure U. S. Deposits

FIG. 2.

PER REPORTS OF CONDITION.

LIABILITIES

CIRCULATION	DUE TO RESERVE AGT'S	OTHER LIABILITIES	UNDIVIDED PROFITS	SURPLUS	CAPITAL	TOTAL AMOUNT OF LIABILITIES
600,000	18,673		45,309	90,000	600,000	3,676,831
600,000	83,874		46,160	90,000	600,000	3,827,431
600,000	48,834		9,390	45,000	600,000	3,320,004
600,000	52,581		32,523	45,000	600,000	3,145,196
600,000	38,787		17,173	0	600,000	2,895,187
600,000	14,770		14,496	0	600,000	2,718,108

ASSETS

U. S. BONDS including Premiums to Secure Circulation	OTHER BONDS, Stocks and Securities owned, including Premiums	Due from Reserve Agents	Cash on hand Lawful and otherwise, total Money in Bank	Exchanges and Cash Items	Redemption Fund	Due from U. S. Treasury	Other Assets	Other Real Estate and Mortgages owned	Banking House Furniture and Fixtures	Total Amount of Assets
633,000	2,550	177,384	119,274	24,186	30,000	0		33,000	67,002	3,676,831
633,000	2,400	254,811	134,844	54,917	30,000	0		33,000	0,000	3,827,431
633,000	2,400	122,535	88,155	13,095	30,000	0		41,397	0	3,320,004
633,000	2,400	116,040	117,534	43,353	30,000	0		37,772	0	3,145,196
633,000	2,250	109,095	88,542	29,940	30,000	0		46,252	0	2,895,187
633,000	167,658	48,984	27,225	14,034	30	0		46,374	0	2,718,108

FIG. 8.

INCREASES								DECREASES					
Date	Individual Deposits		Loans and Discounts			Total of Surplus and Undivided Profits	Amount of Dividend Paid	Individual Deposits		Loans and Discounts			Total of Surplus and Undivided Profits

Each report of condition as compared with the one preceding it shows an increase or decrease in the items to the amount of, as per above schedules. Amount of Dividends being ascertained by inquiry.

ANNUAL MEETING, DATE OF					
President Vice-President Cashier					
Director " " " " "					

FIG. 4.

THE Rand Trust Co OF N. Tonawanda N. Y.

LIABILITIES

DATE	BILLS PAYABLE		REDISCOUNTS			Due to Banks and Bankers			Individual Deposits Including Unpaid Dividends	Cashiers Checks and Certified Checks	Certificates of Deposit	Deposits in Trust
'02 Jan 1	0		0			240 079			$354 672	18 176	326 054	524 671

ASSETS

DATE						Due from Banks & Bankers			LOANS & DISCOUNTS	TOTAL OVERDRAFTS		N. Y. City Bonds
'02 Jan 1						1265 549			3779 064	58		580 000

FIG. 5.

PER REPORTS OF CONDITION.

LIABILITIES

Other Liabilities	Undivided Profits	Surplus	Capital	Total Amount of Liabilities
12 246	104 735	500 000	150 000	10240 636

ASSETS

R.R. Mortgage Bonds.	Other Bonds, Stocks and Securities owned, including Premiums	Cash on hand total Money in Bank	Exchanges and Cash Items	Other Assets	Other Real Estate and Mortgages owned	Banking House Furniture and Fixtures	Total Amount of Assets
2776 984	827 486	405 222	67 846	60 432	371 995	400 000	10240 636

FIG. 6.

banks in the distribution of their deposits, should with equal weight control all banks in the selection of their correspondents and reserve agents.

Figs. 1 and 4 sufficiently suggest the purpose for which they are to be used. As to Figs. 2, 3, 5 and 6, the reader will observe that the first two headings, under liabilities, indicate inflation, and are placed foremost so that on inspection of a report they will receive adequate attention.

Since banks should be lenders, not borrowers, it seems almost needless to say that these items would very rarely appear in the statements of conservatively managed institutions. The necessity of their appearing at all can be caused only by a willingness to over-loan or inability to call loans to meet decreasing deposits, either of which events necessitates rediscounting or borrowing to maintain cash on hand.

The reader's attention is called to the immediate résumé permitted by the rulings of the tendency of working capital account, cash and quick cash holdings, net earnings, disclosed by adding the dividend paid to the increase in working capital; and attention is also called to the general grouping of the liabilities and assets, which disclose the channels from whence holdings come and where these funds are being redistributed.

It is expected that other advantages to be obtained by the use of these forms will suggest themselves, and it is hoped that the illustrations may be of interest. The figures used are fictitious, but not overdrawn. The National form is based upon an actual failure. Analysis shows various banks to have been "among those present." GEORGE L. TICKNER.

SYRACUSE, N. Y.

(To be continued.)

GUARANTEE COMPANIES IN OKLAHOMA.

Editor Bankers' Magazine: GUTHRIE, Oklahoma, May 15, 1905.

SIR: In your May issue, on page 553, you have an article about the laws of Oklahoma affecting guarantee companies.

It is very unfortunate that anyone should write an article without first informing themselves of the facts so that the people may read the truth instead of error.

The law under which guarantee companies were required to deposit with the Territorial Treasurer before being permitted to do business in this Territory provides that the deposit may consist of "cash or Government or county or municipal bonds or bonds or warrants of the Territory of Oklahoma or notes secured by first mortgage deed of trust on real estate situated in this Territory, worth at least double the amount loaned thereon. Railroad, electric railroad or electric light bonds secured by first mortgage or deed of trust upon all property and franchise of such railroad, electric railroad or electric light company. Its current net earnings must be at least double the current interest on all outstanding bonds or such other first-class securities as may be approved by the Bank Commissioner."

The American Surety Company has deposited $50,000 in Government bonds and is doing business in this Territory. The variety of securities that may be put up is certainly large enough and liberal enough. Surety companies heretofore operating in this Territory have attempted every technical defense possible under their policies and so outrageous has been their conduct in the management of their business here that the last Legislature prohibited the Territory from taking any surety company to secure its deposits in bank depositories, and the last Legislature made a part of its enactment that "the rule of the common law requiring a strict construction of the obligations of a surety shall have no application to the obligations of a surety or guarantor or indemnitor for hire, but all such obligations shall be liberally construed in accordance with the rules of the general law applicable to policies of insurance."

I trust you will correct the misstatement of facts in your issue, as I think the law a very just and equitable one. J. W. MCNEAL.

The article referred to was written on what appeared to be trustworthy information, that the law required a cash deposit. THE BANKERS' MAGAZINE of course regrets that it should have been misinformed; and gladly gives space to Mr. McNeal's letter stating the facts in regard to the law.

VARIATIONS OF VALUE OF GOVERNMENT SECURITES.

PART I.

Some time ago there appeared in a leading financial journal of France, "Le Rentier," Paris, written by its founder and director, the eminent financial economist, Alfred Neymarck, a series of articles headed, "Variations of Market Values and of Interests on State Securities."

In the beginning of the articles the author confines himself to the discussion of French, English and German securities. The first of these, French three per cents, rentes, he remarks, are quoted at 98.5, thus yielding 3.04 per cent.; the English consolidated 2.5 per cents are quoted at 88, yielding 2.84 per cent., and the German three per cents are quoted at 90, yielding 3.33 per cent. "Certainly these three great European States," he says, "offer stockholders an absolute security. There is no questioning the regular payment of the interest on the debts of these countries, which have never failed to fulfill their engagements."

The author then asks why should the interest and market values of the securities of these three countries be different—why should German three per cents yield 3.33 per cent., French rentes only 3.04 per cent., and English consols only 2.84 per cent.?

Before giving the real causes of these differences M. Neymarck first pronounces as groundless the explanations usually given for these differences, that the budget and debt of England is less than that of France and Germany, and that the debt per capita of the three countries is greatest in France, less in Germany, and least in England. "If these reasons were tenable," he says, "German stocks ought to be almost equal to English, and consequently considerably above French stocks." As far as the debt per capita is concerned he attaches no value whatever to it, claiming that a country with a small debt can be very poor and have small resources and revenues while, on the other hand, another with a heavy debt can be rich and prosperous, possess numerous and important resources, and easily pay heavy taxes. The latter, apparently owing the more, will offer safer security because the productivity of its work and its thrift will be greater. "The Republic of Liberia possesses the smallest debt, both total and per capita, of any country in the world. It owes about $482,500; its budget is more than this; its receipts exceed its expenses by $6,000; and it has a population of 1,500,000, the per capita debt being thus some thirty-one or thirty-two cents, while in England, Germany and France the debt is many hundred times greater. Who would pretend, however, to assert that the Republic of Liberia is in a better situation than England, Germany or France? Certainly, no one."

To further disprove that the debt per capita causes differences in the value of State stocks and the interests thereon, he cites the response given by M. Georges de Laveleye to the carefully-studied report made some fifteen years ago by the financial diplomat, Sir Vincent Caillard. In the report of the latter the resources of Turkey, Roumania, Bulgaria and other Oriental countries were compared and the conclusion reached that Bulgaria had more credit than any of the others for the reason that its public debt per capita was least. M. Georges de Lavelye in reply also made a comparison, but between Bulgaria, France and England, according to which, if the argument of the debt per capita were reliable, Bulgaria possessed five times the credit of England and ten times that of France.

M. Neymarck proceeds to give what he believes the true causes of the differences of the values and interests on governmental securities of States possessing the same credit and inspiring the same confidence. They are three:

1. The dependence or independence of the borrowing State—national or exterior market for bonds.
2. Diversity of stocks in the same country—unity or variety of State stocks.
3. The nature and quality of the buyers and owners of State stocks—that is, the organization of public and private credit in the divers countries, public customs in making financial investments, and the dependent or independent situation of the borrowing State as regards its lenders, national or foreign.

By these three tests the author determines the financial and economic conditions of England, France and Germany, after which he applies them to Belgium, Netherland, Sweden, Norway, Denmark and Switzerland.

The following is a translation of what he says under each head:

Dependence or Independence of the Borrowing State—National or Exterior Market—In England, France and Germany.

First of all, the State securities of these three countries bear a striking similarity--they are altogether national. The manipulation of English national securities is in London; of French stock, in the French bourses, and of German securities, in Germany. These three countries manage their own national markets, depending upon no one. If the owner of stock finds it advantageous to negotiate in different markets, a State, on the contrary, from the point of view of national credit, finds it more profitable to be its own master in its own home.

Diversity of Stocks in the Three Countries—Unity or Variety of State Stocks.

England.—In England the consolidated is the stock, par excellence. For many years it was the consolidated three per cents, afterwards it became the 2.75 per cents, and now is the 2.5 per cents. Besides the consolidated 2.5, there is the local loans stock three per cents and the London County three per cents and 2.5 per cents, but these absorb but a small amount of capital. With the exception of stocks of some of the large colonies or possessions, Canada, India, Jamaica, Manitoba, Natal, New Zealand, New South Wales, Quebec, Queensland, South Australia, Tasmania, Transvaal, Victoria, West Australia, etc.—stocks of three, 3.5, four, 4.5 and five per cent. (as the debts of Manitoba and New Zealand)—there exists few competing State securities, direct or indirect, outside the consolidated. Unity of national stock, represented by the consolidated 2.5 per cents, exists in England.

France.—France, after having a great variety of rentes for nearly three-quarters of a century, has, since the last successful conversion of the 3.5 per cents by the Minister of Finances, M. Rouvier, adopted a single type of rente, the three per cents perpetual and the three per cents redeemable. We have had successively in circulation five per cents under the First Empire, the Restoration, Charles X, and Louis Philippe; some four per cents from 1829 to 1887; and 4.5 and three per cents under the Second Empire. With the disasters of 1870 we were obliged to create some six per cents with the Morgan loan (a souvenir of the exciting struggles in defending the nation); afterwards some five per cents were created for the libératoire loans, and later, in combination, some five per cent. liquidation bonds of the city of Paris and of the departments. The restoration of the credit of France from 1870 to the present time is clearly proved by the conversions or reimbursements of the old 4.5 and four per cents, the Morgan loan, and the bonds of liquidation. The only national type of rente to-day is the three per cents perpetual and three per cents redeemable, which differs from the perpetual only by its obligatory inconvertibility, its automatic reimbursement at par by annual drawings, while the perpetual is convertible from the day it surpasses the par of 100 francs.

"To buy stock," "to own stock," are expressions which in France mean to buy or own three per cents. Besides this there exist, it is true, some securities which have the direct or indirect guaranty of the Government—colonial loans, railroad obligations, and, from a moral point of view, obligations of the Crédit Foncier of France and of the city of Paris, etc. Capitalists and stockholders wishing rentes are not compelled therefore to buy the three per cents alone; much capital has been placed in colonial, railroad, Crédit Foncier and Ville de Paris securities. This second category amounts to some twenty-five milliards of francs ($4,825,000,000), or a sum equal to that represented by the consolidated three per cent. rentes.

It may be said to those who, comparing the English with French securities, pretend that our credit is inferior to that of our neighbors, that if French savings had not been attracted by these divers securities, all the investments would have been in three per cents, and these latter would have been higher than at present, and would approach if not surpass in price and interest the English bonds.

Germany.—There is in Germany the greatest imaginable collection of securities: German, 3.5 per cents; Prussian, 3.5 and 3's; bonds of Alsace-Lorraine, Baden, Bavaria, Bremen, Brunswick, Frankfort-on-the-Main, Hamburg, Hanover, Hesse, Mecklenburg, Saxony and Wurttemberg. Some of these are 4's, some 3½'s, and others 3's. This diversity of securities is as great as that of the public debt.

Germany's debt is distinct from that of Prussia, while the latter is distinct from that of the Grand Duchy of Baden, Bavaria, Bremen City, the Duchy of Brunswick, Hanover, Saxony, or Wurttemberg, etc. There are as many public debts and divers budgets of the securities of distinct States as there were ancient Confederate States united at present under the authority of the German Empire. German capitalists who wish to buy stock can only be embarrassed as to choice. They are not compelled to buy German 3's nor Prussian 3's. They can, as they like, invest in Saxon 3's, in Bavarian, or other stocks.

So we find in England an almost absolute unity of State securities, public debt and national budget; in France, unity of rentes, since the conversion of the 3.5 per cents, unity of the budget, but many values similar to the national rentes, because carrying the State's guaranty; while in Germany there is a diversity of securities, debts and budgets—a veritable financial trilogy.

Nature and Quality of the Buyers and Owners of English, French and German State Securities.

England.—In England there is little speculation in consolidated 2.5 per cents, and consequently few floating shares. This is because England, except in late years—during and following the Transvaal war—has borrowed little as consolidated stock. Speculation, the incontestible effect of which is to support those securities imperfectly classed, has seldom needed to intervene. English consols are carried especially by the banks, societies, insurance companies, or wealthy capitalists, who thus employ them exactly as if they were bank bills carrying interest, payable at sight, and in addition offering chances of increased value. The English have always believed that an investment in consols was exempt from risks, presenting the maximum of security with an almost certain increase of value. The uninterrupted advance of English consols during nearly half a century, with rare exceptions, justified this belief, but of late the competition of other investments, the conversion of the stock, and especially the Transvaal war, have shown that it is not best to have a preconceived and positive opinion concerning State and personal securities.

In 1894 the old 2.5 consols were negotiated at 102 per cent., being fourteen per cent. higher than the new 2.5 consols. Eight to ten points of this lowering of fourteen points since 1894 is due to the Transvaal war; and during the last year the reduction in value has been more pronounced.

What is this proof of? It is that the principal maintenance of Government securities and their force of resistance are particularly due to the kind and number of buyers; that is, from a point of view of the values and classification of stock in the portfolios, a large number of buyers and owners of the middle class, scattered all over the country, as in France, is preferable to large temporary holders. It is true that in addition to the wealthy investors, as banks and societies, there are many permanent English investments, such as dowries, or those administered by guardians or trustees which cannot be employed in industrial or personal enterprises.

France.—In France the public coffers, speculators and capitalists invest in rentes, which are bought or sold on time or cash in the official or free market, more easily sometimes than the same amount of national or international speculative values. The French rentes have one of the largest markets, cash or time, existing. The buying or selling of hundreds of thousands of rentes can be done in one bourse with a wonderful facility and without producing any extended change in the market. The buyer is sure to find a seller and the seller a buyer.

The utility of speculation in French rente futures has often been disputed; but this utility was proved at the time of the "libératoires" loans; and affirmed by Thiers, Léon Say, and all those thoroughly acquainted with the intricate machinery of financial markets. After peace, speculation in rente futures facilitated the classification of stocks in the smallest portfolios. Speculation has at times been combated and impeded, but with no success. In 1898 an attempt was made to stop it, but the Minister of Finances at that time, M. Doumer, at once saw the error and, thanks to him, favorable financial treatment was granted to these "behind-the-scenes" investors.

A less number of temporary investments are made in French than in English securities, for the particular reason that the French rentes appear more speculative, and as such are exposed to a greater number of and more sudden movements. A French capitalist having funds disposable for two or three months will buy "bons" of the Treasury to mature in two or three months, will discount some commercial stock, or will deposit the funds in an establishment of French credit, and be content with a trifling interest.

If French rentes are not bought by those who invest large capital for a long time they are sustained by an immense army of persons of small means, "petits bourgeois," or "petits épargneurs." This faithful clientèle is composed of millions of those depositing small sums in the Savings banks—miners, the disabled, married women, insurance societies, mutualists, and the millions of middle classes, countrymen, shopkeepers and merchants disposing of some hundreds or thousands of francs, all of them, in preference to anything else, investing in the security and tranquillity of French three per cents.

The investors in Government rentes are legion. We have often shown how the division and distribution of rentes were infinite. No country in the world possesses such a financial democracy. This democracy, which imprudent legislators too often alarm, has the respect and gratitude of everyone. It has furnished the necessary capital for the war ransom, for the recuperation of the country, and for improvements in time of peace. Freedom of territory and the safety and restoration of the country is found in the legendary "woollen stocking."

Germany.—In Germany there is little speculation in State securities. When German or Prussian loans are effected, the banks, at the moment of emission, intervene to facilitate the sale and classification, after which they do nothing more.

In Germany, contrary to the conditions in England and France, there are no obligatory investments in stock, such as dowries or deposits of guardians. German Savings banks are not compelled, as in France, to invest in State securities. Recent published information shows that this reform has been studied in Germany, and that the adoption of the French system, criticised by

us, is very much in favor in Germany, where it is considered a wise and useful means of promoting public and private interests. Germany has not a great number of small capitalists investing, as our French countrymen, their savings in rentes. If it existed, its strength would be greatly diminished by the diversity of stocks amidst which German investors would have to choose. It is not probable that a Saxon or a Bavarian buys Prussian three per cents or the three per cents of Wurttemberg in preference to the Saxon or Bavarian 3's. On the contrary, an Englishman or Frenchman would buy 2.5 consols or three per cents perpetual, whatever might be the county, village or department in which he lived.

SUMMARY.

The preceding shows why the Government stocks of three great States, rich and powerful, having lost none of their resources, and offering an equal security, possess different values and interests. These causes are not found in the debt per capita, nor in the amount of borrowings, nor in the number of population, etc., as is generally asserted, but are of a financial kind, depending upon—

1. The financial, commercial and industrial productivity of the country.
2. The ease with which fiscal charges are supported and acquitted.
3. The financial organization of the market, the kind of investors, and the economy of the different countries.
4. The unity or diversity of national securities.
5. The method of employing capital in State or other stocks and the extent of the market and negotiations.
6. The inclination of investors to acquire stock or other securities.

In studying the arguments of M. Neymarck I took occasion to ask him the following:

Does it not seem that not only a country's credit but the market value and interest on its securities depend more on the faith of the investor than anything else? And if this is true, would not the conditions that beget such a faith be those which would determine the variations of market values and of interests on State securities among the nations of the world; and are not these conditions the State's ability to keep its promises; and does not its ability to keep its promises depend upon its economy, culture, resources, civilization, patriotism and strength of army and navy?

In reply M. Neymarck says:

Certainly, the values and interests of State securities depend upon faith, that is, upon the confidence of those who buy or sell shares of government stock in such or such a country, but this faith and this confidence are determined by the causes I have indicated. (See the six causes above mentioned.)

When, for example, some twenty years ago the public bought foreign State securities, of Peru, Turkey, or others, before their bankruptcy, it had faith and confidence, but a misplaced faith and confidence.

The principal conditions which should determine confidence are the following:

1. Honesty of the borrowing country; its scrupulous respect for all the promises it makes.
2. The State's budgetary; economic, commercial and financial situation.
3. The state of circulation and of its monetary reserve and bank notes.
4. The strength of its savings and the inclination of the public for investment in State securities.
5. The productivity of the country, the extent of its resources, and of its foreign relations from a commercial and industrial point of view.

Interests on State securities are not determined by confidence alone; it is one of the causes, but it should not be isolated from the others which I have indicated.

PART II.

M. Neymarck next takes up Belgium, Netherlands, Sweden, Norway, Denmark and Switzerland, six countries which as to population are of the second order, but certainly of the very first in regard to scrupulous honesty and faithfulness to fulfill all engagements. In regard to what influence population, public debt, debt per capita, etc., can have upon the market values and interests of the securities of these countries, he says:

The Belgian three per cents are worth 99.5, thus yielding 3.01 per cent., and so are worth more than any other European three per cent. security. The three per cents of Netherlands are worth 96, thus yielding 3.09 per cent.; the 1894 Swedish 3's, quoted at 94, yield 3.18 per cent.; the Norwegian 3's, at 89, yield 3.37 per cent.; the Danish and Swedish 3's, quoted at 89 and 90, respectively, both yield 3.33 per cent.

BELGIAN SECURITIES.

Of all these States, Belgium has the greatest population, the greatest budget of receipts and expenditures, the greatest public debt, and the greatest amount of interest to pay thereon.

The population is 6,700,000 (1896-1905). The debt per capita in Belgium is about $81; in Netherlands, $86.85; in Switzerland, $59.80; in Norway, $27.20;

in Denmark, $20.25, and in Sweden, $17.75. The interest on the debt of Belgium is $21,230,000; of Netherlands, $12,931,000; of Sweden, $3,474,000 to $3,667,000; of Norway, $2,702,000; of Denmark, $2,123,000, and of Switzerland, $772,000.

When the budgets of expenses are compared, Belgium has the heaviest, $98,430,000, while Netherlands has $71,410,000; Sweden, $46,513,000; Norway, $27,213,000; Switzerland, $21,230,000, and Denmark, $20,265,000. Likewise when the capitalized debts of these countries are compared it will be found that Belgium heads the list with $555,840,000; Netherlands has $459,340,000; Sweden, $93,026,000; Norway, $70,445,000, and Denmark, $66,006,000.

So if the market values of State securities were estimated by these divers elements Belgian rentes should be quoted lower by several figures than the others. Why are they not? For the reason that the same financial causes exist in Belgium as in England and France.

1. The market of Belgian rentes is national. It is true that they are quoted in France and in the Netherlands but the principal transactions are in Belgium.

2. The unity of Belgian State securities was assured by the conversion of the old 3.5 per cents. There is a 2.5 rente, but transactions monopolize the 3's. The capital of the 2.5 debt is moreover small compared to that of the three per cents. In 1903 the 2.5 per cents had a nominal capital of $42,460,000, while the 3's of the first, second and third series had a nominal capital of $512,608,000.

3. Belgian rentes possess a faithful clientèle of small and average capitalists, as well as of banks and large companies.

We would also add that for nearly a quarter of a century the values and fluctuations of Belgian and French 3's have followed in unequal proportions almost the same progress toward par. In 1892 both Belgian and French 3's reached and passed par. The former were quoted at their highest in 1895, being 103.25; the latter reached their highest in 1897, being quoted at 105.25. The following shows the highest and lowest quotations of these rentes since 1880:

1880–1903.

Belgian—highest	103.25	French—highest	105.25
" lowest	81.55	" lowest	74.15

The fluctuations of the Belgian rente are narrower than of the French. It could hardly be otherwise, as the debts of the two countries are not comparable—$5,018,000,000 in France and $555,840,000 in Belgium. But the market values and the interests are determined by the same financial causes as determine those of England, France and Germany.

Netherlands Securities.

Netherlands comes next to Belgium. It has 5,347,000 inhabitants, an expense budget of $71,410,000, a capitalized debt of $459,340,000, and an annual interest of $12,931,000 on its debt. Its three per cents are worth about 97.

The same financial causes exercise in this country the same influence.

1. The market of Netherlands securities, like that of the English, French, German and Belgian, is essentially national, and the principal transactions are made upon the Amsterdam bourse.

2. There exist few, if any other, State securities to compete with the 2.5 and three per cents Netherlands rentes.

3. The clientèle of these securities consists of capitalists, banks, insurance companies and investors of average means.

4. Netherlands has a credit of the first order, an active commercial and financial market, and is not tributary to any foreign country. It is a lender, not a borrower.

5. It is to the interest of foreign capitalists that the stability of Netherlands 2.5 and three per cents cause their sale on many foreign markets. They are quoted in France, the three per cents alone being negotiated.

Swedish Securities.

Next to Netherlands comes Sweden, with 5,198,000 inhabitants, a budget of $46,513,000, a debt of $93,026,000, with an annual interest of $3,628,400. Its population is 1,500,000 less than that of Belgium and approximately equal to that of the Netherlands. The interest on its public debt is one-sixth of that of Belgium, while that of the Netherlands is three and one-half times as great. Its debt per capita is one-fourth that of Belgium and the Netherlands. However, the 1894 Swedish three per cents are worth hardly 94, that is, less than the Belgian and Netherlands 3's.

The exterior debt of Sweden at the end of 1903 was $79,864,000, which, with the interior debt, amounts to $93,026,000. The Belgian debt, in 2.5 and three per cents, is $555,068,000, and the debt of the Netherlands, in 2.5 and three per cents, is $459,840,000. The Swedish debt, consisting of negotiable securities, is therefore one-seventh of the Belgian and one-sixth of the Netherlands debt. If the amount of debt had any influence on the market value, the Belgian and Netherlands securities would sell below the Swedish. But, on the contrary, what are the facts? The Swedish securities are worth five to six points less than Belgian 3's and three points less than Netherlands 3's. The

following are still the essentially financial reasons which explain these differences of market values and interests:

1. There is no national market, or almost none, for Swedish securities.

They are bought and sold upon foreign markets mostly, especially in Paris.

3. While the interior debt of Sweden is about $15,440,000, the exterior debt, consisting of 3.5, three, and, by loan of 1900, four per cents, amounts to about $77,200,000.

4. There exists in Sweden no unity of securities as in England, France, Belgium and Netherlands. There are three kinds of 3.5 per cents, three of 3's, and one of 4's quoted upon the Paris bourse.

5. The increase or decrease of Swedish securities depends therefore upon the favor or disfavor of foreign capitalists as well as upon the condition of the country.

Danish Securities.

Denmark has 2,464,000 inhabitants, or 2,730,000 less than Sweden. Its budget is $20,265,000, its debt $66,006,000, the annual interest on which is $2,120,000. Its expenses weigh the less heavily because of revenues from railroad, telegraph and telephone property which the State owns. On its debt of $66,006,000 the State's assets amount to $25,435,992, and the State railroads, for their construction and first equipment, represent $48,240,000.

The Danish 3's, however, after having at one time almost reached par, have descended to about 89, that is, lower than any of the countries of which we have heretofore spoken. Why?

1. Because there is almost no national Danish market for State securities; it exists abroad, principally in France.

2. Because the exterior debt amounts to $47,704,000 and exceeds by $29,480,000 the interior debt.

3. Because there is no unity of securities in Denmark. Upon the Paris bourse there are 3.5 per cents and two kinds of three per cents.

4. Because the values and fluctuations of Danish securities are influenced by divers foreign markets on which they are bought and sold, and by the more or less favorable disposition of foreign capitalists. The economic, financial, commercial and industrial condition and the resources of Denmark can be excellent and yet the quotation of its securities depend altogether upon the impressions, the buying and selling of exterior stock markets.

Norwegian Securities.

Norway, coming next to Denmark, has a population of 2,240,000. Its budget amounts to $27,213,000, and its debt to $70,445,000, the interest and redemption of which is annually $2,702,000. The assets of the State, comprising divers reserves and its railroads, are almost equal to its liabilities, being $68,901,000. But Norwegian three per cent. securities, like the Danish, are quoted between 88 and 89, or five points less than Swedish, seven points less than Netherlands, and eleven points less than Belgian, at the same time that its securities and its guaranties are as secure and incontestable. Why is this?

1. Because Norway has no national market for its State securities.

2. Because all of its borrowings, with the exception of an old three per cent. and of some shares of securities issued in exchange for privileged shares in the railroad from Christiania to Eidswold, have been contracted abroad, especially in France.

3. Because in Norway, as in Denmark and Sweden, there is no unity of securities. In the official quotations of the bourse of Paris there are found quoted, cash or future, four kinds of 3.5 per cent. Norwegian rentes, 1894, 1898, 1900 and 1903; and three kinds of three per cents, 1886, 1888, 1896. For cash alone there is also quoted an 1895 3.5 per cent., a 1903 three per cent., and some 1902 3.5 and 1900 four per cents of the Banque Hypothécaire. This diversity turns aside foreign capital.

4. Norway has borrowed abroad in 1866, 1888, 1892, 1894, 1895, 1896, 1898, 1900 and 1902. It has not borrowed from the interior. Foreign banks have supplied its needs.

5. The credit of Norway is dependent on foreign countries.

6. It is thus shown that whatever may be the degree of internal prosperity of a country which borrows abroad, whatever may be the decadence it undergoes, the value of its securities, in one case as in the other, is completely at the mercy of the favorable or unfavorable inclinations of foreign markets and lenders. In spite, therefore, of their security and guarantee, countries compelled to seek the supply of their financial needs abroad are placed at a disadvantage.

Swiss Securities.

The Swiss Confederation has 3,325,000 inhabitants, and a budget in 1904 of $22,195,000. According to the "Statesman's Yearbook" of 1904, the debt of Switzerland is $17,370,000, necessitating an annual interest and redemption of $1,103,325; but the "Statesman's Yearbook" has not included the debts contracted by the Government for its guarantee of the railroads. Altogether, the Swiss borrowings, the 3.5 per cents of 1889, 1892, 1894, the railroad three per cents, the 1897 3's, the 3.5 per cents of 1899 to 1902, and the 1900 railroads quoted on the Paris bourse amount to $89,129,500. On the other hand, the

assets of the State, comprising divers properties and revenues, exceed $36,863,000, and can be valued, deduction being made for liabilities, at a net total of $19,587,447,831. We find:

1. A population less than half that of Belgium and a third less than that of the Netherlands and Sweden;
2. A budget of expenses and interest on the debt insignificant compared with those of the same countries;
3. A large national asset.

Such are the conclusions to which the statistics of these countries bring us. Does it not seem, then, that the Swiss three per cents ought to be higher than those of Belgium, the Netherlands and Sweden? They are not. In Switzerland the diversity of the same kinds of securities is equal to the diversity of the values. While the 3's of 1903 are quoted at about 90 the railroad 3's of 1890 are quoted at 98.70, the first series of the 1897 3's at 96.50, and the railroad 3.5's of 1899 to 1902 at 100.9 (equivalent to three per cent. at 86.48), and the three per cents deferred (3.5 per cent. until 1911 and 2.75 per cent. from 1911 to 1917) at 96. The capital and interest of this last loan are payable as exchange, a stipulation not mentioned in regard to the other loans, which leaves them to bear any burden which chance may bring.

The conclusions are:

1. There is no unity of Swiss securities.
2. Regarding the national and international market, there is a market at Geneva, Basel, Zurich, etc., but the exterior market is more important, especially at Paris, which has contributed powerfully to the success and classification of the railroad loans.
3. There is competition upon the same securities of Switzerland by the many diverse canton and village loans.

All these financial causes explain the inferiority of the value of Swiss securities compared with those other countries, despite the prosperity of the country, despite its relatively small debt, its resources, and its scrupulous and proverbial honesty. Besides the Government rentes it is easy to find Geneva 3.5 and four per cent. funds, four per cent. obligations of the Ville de Genève, Lausanne, Zurich, 3.5 Zurich, 3.5's of 1899 and 1900 of the State of Berne, and 3.5 and three per cents of the State of Bribourg. The capitalist who wishes to buy values and securities in Switzerland, whether Federal, cantonal, or municipal, is embarrassed as to choice.

Summary.

The following table is a résumé of the second part of this study:

Population, Debt, Interest on Debt, Debt per Capita, and Expenses in Round Numbers, and Market Quotations of Three Per Cent. Securities of Certain European Countries.

Country.	Population.	Debt.	Interest on debt.	Expenses.	Debt per capita.	Stock quotations.
Belgium	6,700,000	$555,800,000	$21,000,000	$98,400,000	$81.00	99.5
Netherlands	5,300,000	459,000,000	12,700,000	71,400,000	86.85	96.0
Sweden	5,200,000	93,000,000	8,500,000	46,500,000	17.75	94.0
Denmark	2,400,000	66,000,000	2,000,000	20,200,000	20.25	89.0
Norway	2,200,000	70,000,000	2,700,000	27,200,000	27.20	89.0
Switzerland	3,300,000	*89,000,000	772,000	21,200,000	59.80	90.0

* Including debts contracted for guarantee of railroads.

These figures justify the financial rules and principles already established for Great Britain, France and Germany. If the debt per capita were an exact criterion the Swedish funds should be worth more than all the others, after which would follow the Danish, Norwegian, Swiss, Belgian and Dutch, German, English, French. On the contrary, the English, Belgian and French securities are more valuable; after which come the Dutch, Swedish and Swiss, with Danish and Norwegian securities at the bottom.

Thornwell Haynes, *Consul.*

Rouen, France.

Mr. Edison's Watch.—To Mr. Edison, time is so valuable that he does not waste it even by taking account of it. Time to him is only the chance to get things done; and no matter how long it takes, they must be got done. In his office safe there is carefully locked away a $2,700 Swiss watch, given him by a European scientific society. It is never used. He buys a stem-winder costing a dollar and a half, breaks the chain ring off, squirts oil under the cap of the stem, thrusts it into his trousers pocket—and never looks at it. When it gets too clogged with dirt to run, he lays it on a laboratory table, hits it with a hammer and buys another.—*World's Work for June.*

STATE BANKERS' ASSOCIATIONS.

REPORTS OF RECENT CONVENTIONS.

MISSOURI BANKERS' ASSOCIATION.

The fifteenth annual convention of the Missouri Bankers' Association was held at Kansas City, May 23 and 24.

President H. M. Rubey called the convention to order in the Midland Hotel. The proceedings were opened with prayer by Rev. G. H. Combs, and addresses of welcome by Mayor Neff and W. H. Winants, President of the Kansas City Clearing House Association, Thomas L. Rubey, Cashier of the Bank of La Plata, responding to the addresses of welcome.

President H. M. Rubey in his annual address referred to the high standing of the association, commended the energy of Secretary Keyser, and told of the value of the fidelity and burglar insurance work carried on through the association. He called attention to the measures passed by the last Legislature, including the uniform Negotiable Instruments Law and a law providing that no incorporated bank, private bank, or trust company could be organized or established in the State in cities having a population of one hundred thousand or more inhabitants with a capital of less than one hundred thousand dollars. President Rubey recommended some changes in the laws applicable to trust companies, and in concluding his address, said:

"The banks and trust companies in Missouri are as 'solid as the rock of Gibraltar,' and one of the strongest evidences of this is the fact that we have had but one bank failure this year, and that within the last thirty days, and owing to the rascality of one of its officers. I do not believe there is another State in the Union with a record of this kind. In 1898 New York had 209 millions in reserve accounts; Chicago forty-one millions, and St. Louis sixteen millions. In 1905 New York has 290 millions, a gain of 38 per cent.; Chicago 110 millions, a gain of 168 per cent.; while St. Louis gained 150 per cent. Thus it is that the West is coming into its own inheritance."

Secretary Keyser, in presenting his report, said:

"At the time of our last convention it was thought that our maximum membership had been almost reached, owing to the very few non-members remaining at that time, but the advent of a number of new banking institutions, together with an enlistment of interest on the part of several heretofore unmoved, has been instrumental in effecting a material increase. The fiscal year is now less than half gone, and we are gratified to be able to report 929 members in good standing, which is an increase of ninety-six over the number reported at any previous convention, and comprising ninety-six per cent. of the entire number of banks and trust companies in the State. According to reports received the first of May, the Missouri Bankers' Association leads all others both in percentage of membership and in actual number. This is a condition that we may justly be proud of in view of the fact that several other associations have a great many more banks to draw from than exist in Missouri."

The remainder of the report reviewed in an interesting way the work done by the association in the past year.

Reports of the treasurer and of the chairmen of the several groups were next presented. An address was made by Professor Jesse E. Pope, of the Department of Economics, Missouri University, his theme being, "The Part Which the Banks of Missouri Have Played in Her Commercial Development."

Festus J. Wade, President of the Mercantile Trust Co., St. Louis, read a carefully prepared paper on the "Financial Strength of the Middle West."

D. A. Moulton, Vice-President of the Corn Exchange National Bank, Chicago, made a short talk, and said in part:

S. R. NELSON,
President Missouri Bankers' Association.

W. F. KEYSER,
Secretary Missouri Bankers' Association.

"Let us first consider borrowing banks and borrowing bank officials. In order that I may be clearly understood, I wish to say that I believe banks may borrow temporarily, when they find it necessary to increase their reserves, but they should not be steady borrowers. I am of the opinion that banks should be created to loan—not to borrow money.

My banking experience covers a period of thirty-two years, fifteen of which have been spent in country banks, and I feel the importance of impressing upon others, that in my opinion, the banks who make a business of borrowing money for other purposes than for temporarily increasing their reserves, have a mistaken idea of the functions of a bank.

Loans, if properly selected, in many cases would relieve the necessity of banks borrowing money. The banker should carefully select his paper, so that in his files a liberal percentage (probably one-third of his entire line of loans), should consist of well selected outside paper or notes, that will be paid at maturity. This will keep the assets of his bank in elastic form and enable him to meet shrinkage in his deposits within his own means, in most cases.

By borrowing bank officials, I do not mean that a bank official having proper collateral should be prohibited from borrowing. I refer to the bank official who lends his personal credit by endorsing notes, etc., given to support outside companies and institutions, with which he is connected.

My friends, bank officials must not speculate, and I cannot impress upon you strongly enough the importance of following this admonition. Nearly all the conditions of our country are favorable, and prosperity is knocking at our door. We should appreciate the blessings that everywhere surround us, and as citizens of the greatest country in the world, conduct our business along lines that will bring us the respect and confidence of all."

The following were then selected as delegates to the American Bankers' Association Convention to be held in Washington, D. C., in October: J. H. Spencer, Joplin; E. H. Harris, Pilot Grove; H. B. McDaniel, Springfield; J. P. Huston, Marshall; H. M. Rubey, Macon; W. P. Fulkerson, St. Joseph.

Officers for the ensuing year were chosen as follows: President, S. R. Nelson, Vice-President Chillicothe State Bank; Vice-President, W. C. Harris, Vice-President Calloway Bank, Fulton; Treasurer, Geo. A. Neale, Cashier Ripley County Bank, Doniphan; Secretary, W. F. Keyser, Sedalia.

MISSISSIPPI BANKERS' ASSOCIATION.

The annual convention of the bankers of Mississippi was held at Vicksburg, May 10 and 11. Mayor B. W. Griffith and Joseph Hirsch, Vice-President of the Delta Bank and Trust Company, welcomed the bankers to Vicksburg.

Addresses were made by Hon. John Sharp Williams, Representative in Congress from the Eighth Mississippi District, and by George Bacon, Cashier of the First National Bank, Laurel, Miss. Mr. Bacon spoke on "Overdrafts," and showed how these annoying items might be prevented.

SOUTH CAROLINA BANKERS' ASSOCIATION.

The fifth annual convention of the South Carolina Bankers' Association was held at Anderson, May 23 and 24, about 160 delegates and visitors being present.

President B. F. Mauldin, Cashier of the Bank of Anderson, reviewed the progress of the association and told of the prosperous conditions of business, both in the country and in the State. He highly commended the work being done by the South Carolina Bankers' Association.

Giles L. Wilson, Cashier Central National Bank, Spartanburg, read his report as secretary of the association. It shows a membership of 147, out of a total of 192 banks eligible for membership. The membership has increased by fifty banks joining the association in the past year.

Addresses were made as follows: Daniel G. Wing, President First National Bank, Boston, Mass.; "The Banker—His Moral Responsibility," R. G. Rhett, President People's National Bank, Charleston; "Character as Collateral," Bright Williamson, President Bank of Darlington; "The Trials and Opportunities of the Teller," by W. E. Burnett, President First National Bank, Spartanburg.

J. W. Simpson, Cashier of the First National Bank, Spartanburg, presented a plan for a State clearing-house for collecting checks, with a view of obviating much of the expense, delay and loss of interest now experienced.

Officers elected for the year 1905-06 were as follows: President, W. J. Montgomery, President Farmers and Merchants' Bank, Marion; Vice-President, W. J. Roddey, President National Union Bank, Rock Hill; Secretary and Treasurer, Giles L. Wilson, Cashier Central National Bank, Spartanburg, re-elected. Executive Committee, the president and the secretary, ex-officio, and the following members: E. P. Grice, Cashier People's National Bank, Charleston; W. A. Eudy, Cashier Commercial Bank, Chester; W. P. Anderson, President Peden and Anderson Banking Co., Westminster; Bright Williamson, President Bank of Darlington, Darlington; T. D. Stackhouse, Vice-President National Loan and Exchange Bank, Columbia.

The principal social features were magnificent receptions at the residences of Mr. B. F. Mauldin and Mr. J. A. Brock on the evenings of the 23d and 24th, at which many ladies were present; and the banquet at the Pavilion in the Park, on Wednesday evening, May 24. Anderson was most lavish in her hospitality to all the bankers and their friends, and it was the universal opinion that this was the biggest and best convention in the history of the association.

The next convention will meet in Greenville, S. C.

NORTH CAROLINA BANKERS' ASSOCIATION.

The ninth annual convention of the North Carolina Bankers' Association was held at Winston-Salem, May 17, 18 and 19, opening with a banquet at the Phœnix Hotel on the 17th. Mayor Eaton made the address of welcome and John F. Bruton, President of the First National Bank, of Wilson, responded for the bankers.

On the following day the convention assembled at the Elks' Auditorium, and after the preliminary exercises, President W. H. Fries, President of the Wachovia Loan and Trust Co., Winston-Salem, delivered his annual address. He reviewed the steady and rapid industrial progress of the State, dwelling especially on the aid afforded by the banks in the building up of new and profitable enterprises.

President Fries reviewed the work of the association during the past year. Among the measures passed by the Legislature affecting banking was one abolishing days of grace, except as to sight drafts.

C. N. Evans, Cashier of the Merchants and Farmers' National Bank, Charlotte, presented his report as secretary. It showed that since last year's meeting of the association forty-four new banks had been organized in the State, as follows: thirty-one State banks, with a capital of $319,790; eight National banks, with a total capital of $350,000; five Savings banks and trust companies, with a total capital of $110,000—making the aggregate capital of the several classes of institutions $779,790. From June, 1904, to May, 1905, there was a gain of sixty-six in the membership, the total now being 205.

W. E. Borden, Cashier of the Bank of Wayne, Goldsboro, spoke on "Interest on Deposit." He stated that in the absence of united action, the banks were practically compelled to pay interest, otherwise the money would be drawn away to banks or localities where interest was allowed. He said there was a growing tendency not only to pay interest on time deposits but also on daily balances. This practice, together with the custom of many banks making collections at par, rendered it increasingly difficult to earn satisfactory dividends, unless the bank had large deposits and small capital. This condition, however, was not to be looked on with favor, inasmuch as it weakened the security to depositors—a matter of prime importance.

Interesting and practical talks on "Savings Banks" were made by Charles E. Johnson, President Mechanics' Dime Savings Bank, Raleigh, and William T. Old, Cashier First National Bank, Elizabeth City.

Suggestions to the New Banker formed the theme of addresses by James A. Gray, Cashier Wachovia National Bank, Winston-Salem; A. M. Dumay, Cashier First National Bank, Washington, and Geo. H. Brown, Cashier First National Bank, Statesville.

Julian S. Carr, President of the First National Bank, Durham, read an able paper on "Banking and Money." Other addresses were: "Bank Clerks," by W. H. Mendenhall, Cashier Bank of Lexington; "Loans—the Desirable, the Undesirable."

Following are the new officers: President, Charles N. Evans, Cashier Merchants and Farmers' National Bank, Charlotte; Vice-Presidents, John F. Wiley, Cashier Fidelity Bank, Durham; J. Elwood Cox, President Commercial National Bank, High Point; H. W. Jackson, Cashier Commercial and Farmers' Bank, Raleigh; Secretary, Wm. A. Hunt, Cashier Citizens' Bank, Henderson.

ALABAMA BANKERS' ASSOCIATION.

The fifth annual convention of the Alabama Bankers' Association was held at Mobile, May 26 and 27. Louis B. Farley, Cashier of the Merchants and Planters'-Farley National Bank, Montgomery, presiding. Mayor P. J. Lyons, Vice-President of the City Bank and Trust Co., Mobile, welcomed the bankers, and John D. Burnett, Vice-President of the People's Bank, Evergreen, responded. President Farley then delivered his annual address. He stated that the banks were prosperous, and no bank failures had occurred in Alabama in the past year. From October 31, 1904 to March 23, 1905, deposits in National banks in the State increased $2,249,000, and deposits of State banks $2,027,000. Mr. Farley favored the frequent publication of reports of condition as tending to the promotion of sound banking.

The secretary's report was read and showed a membership of 141, compared with 108 reported at last year's convention.

Harvie Jordan, of Atlanta, Ga., president of the Southern Cotton Association, spoke on "Closer Business Relations Between Farmers and Bankers." State Bank Examiner Thomas J. Rutledge made an address on "Safety in Banking," and W. P. G. Harding, President of the First National Bank, Birmingham, gave a brief history of the bonded indebtedness of Alabama. President J. T. Hayden, of the Whitney National Bank, New Orleans, spoke in behalf of the American Institute of Bank Clerks, and J. C. Clark, of Atlanta,

Ga., made an address on "Bonding and Insurance of Funds." The officers elected are: President, J. F. Johnson, President Bank of Greenville; vice-president, W. H. McKleroy, President Anniston National Bank; secretary and treasurer, E. J. Buck, President City Bank and Trust Co., Mobile.

Next year's convention will be held at Anniston.

OKLAHOMA-INDIAN TERRITORY BANKERS' ASSOCIATION.

About 400 bankers from all parts of Oklahoma and Indian Territory attended the ninth annual convention of the Oklahoma-Indian Territory Bankers' Association held at Muskogee, May 25 and 26. The convention was the largest in the history of the two Territories.

H. A. McCandless,
President Oklahoma-Indian Territory Bankers' Association.

Frank Craig, president of the association, in his annual address before the convention surprised many by showing from statistics that the two Territories have more National banks than any of the States except eight, which includes New York, Pennsylvania, Ohio, Minnesota, Iowa, Illinois, Massachusetts and Texas. He declared for single Statehood during the course of his remarks, as did other speakers, who voiced the almost unanimous sentiment of the bankers and other financiers of both Territories.

John C. Hughes, of Oklahoma City, who responded to the address of welcome, touching upon the importance of Muskogee, showed that the people in the western part of what is to be the new State are alive to the conditions—that Muskogee must become the distributing center for the new country—a financial and commercial gateway.

President Craig, in his annual address, called attention to the fact that this is the first convention of the bankers of Indian Territory and Oklahoma as a consolidated association.

"There are at present ninety-five National banks in Oklahoma and one hundred and eighteen in Indian Territory," he said, "two hundred and fifty-six Territorial banks in Oklahoma and one hundred and thirty-eight in Indian Territory, making a total in both Territories of six hundred and seven banks. Of this number three hundred and twenty are enrolled as members of our association, being over fifty per cent. of the total number."

"The past year," he said, "has been one of apparent prosperity with the banks of the Territory. In the two Territories I believe there have been but five bank failures within the past year, three incorporated under Territorial laws and two National banks. The failure of one of these National banks cannot properly be classed as a failure, however, as the depositors were paid in full. The other had few deposits, and the loss to depositors will be small, if any. Temporary embarrassment due to a partial crop failure caused two other National banks to close their doors, but one of them reopened within twelve days and the other within twenty-five days. No depositor has lost a dollar through the failure of National banks in the two Territories during the past year."

The association adjourned after a two days' session. These officers were elected for the ensuing year. H. A. McCandless, Perry, Oklahoma, president; N. T. Gilbert, Madill, Indian Territory, first vice-president; J. A. Stine, Alva, Oklahoma, second vice-president; W. L. Reed, Ada, Indian Territory, treasurer; W. H. Painter, Guthrie, Oklahoma, secretary.

Delegates to American Bankers' Association: Frank Craig, A. C. Trumbo, H. B. Johnson, E. P. Blake, Charles Engle, U. C. Guss.

At the closing session Hon. Bird S. McGuire, delegate to Congress, made a strong single Statehood speech.

Resolutions protesting against the attitude of the Interior Department in administering Indian Territory affairs and vigorously advocating joint Statehood for the two Territories were adopted unanimously.

Some of the other speakers were Thornton Cooke, Assistant Treasurer of the Fidelity Trust Company, Kansas City; W. O. Jones, of the National Park Bank, New York, and Hon. C. F. Foley, Indian Territory delegate in Congress.

CALIFORNIA BANKERS' ASSOCIATION.

Oakland entertained the meeting of the bankers of California this year, their fifteenth annual convention being held in that city May 18, 19 and 20. Mayor Frank K. Mott made the address of welcome, and H. S. Fletcher, Cashier of the Bank of Watsonville, responded for the association. A. H. R. Schmidt, president of the association, in his annual address, said in part:

"The doubt and uncertainty regarding financial legislation in our State has again passed. At the last session of our State Legislature various bills of interest to banks have been passed aside, from the Bank Commissioners bill, and we can be pleased that an act has been passed fixing the limit of one year within which an action may be brought against a bank for the payment of a claimed forged or raised check. Heretofore there has been no limitation in this respect; also that lost certificates of stock of corporations can be reissued by duplicate when so ordered by the court after an action has been brought. The Legislature has also passed the much desired act that at the next general election the question be submitted to the people to amend the constitution, permitting public funds to be deposited in banks, thereby permitting the moneys to circulate in the channels of trade until needed."

In concluding his address President Schmidt referred to the growth of trade with the Orient and the progress of the industries of California.

Secretary R. M. Welch reported a present membership of 265—a net gain of sixteen in the past year.

Joseph D. Radford, President of the First National Bank, San Jose, presented his report as delegate to the convention of the American Bankers' Association.

D. Edward Collins, President of the California Bank, Oakland, made an address on "Banking," and Geo. W. Peltier, of the California State Bank, Sacramento, read a paper on "Stability in Banking." Prof. Carl. C. Plehn, of the University of California, talked on methods of raising revenue. William Mead, President of the Central Bank, Los Angeles, proposed a plan for incorporating clearing-houses under National authority and the legalization of clearing-house certificates as currency. Gordon Jones, secretary of the Colorado Bankers' Association, described the protective and other work being done by that association.

On the assembling of the convention for the second day's session, several amendments to the constitution of the association were adopted, and a number of questions of practical interest, including bank money orders were considered. A brief talk was made by Bank Commissioner Eldridge, and Prof. H. Morse Stephens, of the University of California, described the financing of the first French Revolution.

Prior to final adjournment the following officers were announced: President, Irving F. Moulton, Cashier Bank of California; vice-president, G. W. Peltier, Manager California State Bank, Sacramento; treasurer, George W. Kline, Cashier Crocker-Woolworth National Bank, San Francisco; secretary R. M. Welch, Assistant Cashier San Francisco Savings Union (re-elected); executive council, E. H. May, Vice-President First National Bank, Pasadena; L. G. Burpee, Cashier First National Bank, Oakland; F. L. Lipman, Cashier Wells, Fargo National Bank, San Francisco; W. C. Patterson, President Los Angeles National Bank; T. Harrington, Cashier Collusa County Bank, Colusa.

National Bank of the Danish West Indies.—In his annual report upon the trade and industries of Denmark for 1904 (which will be published in the forthcoming volume of Commercial Relations), United States Consul Raymond R. Frazier, of Copenhagen, Denmark, gives the following information relative to the establishment of the National Bank of the Danish West Indies:

This new banking institution whose aim is said to be to contribute to the development of the Danish possessions in the West Indies has been established by royal charter during the year. The capital of the bank is 5,000,000 francs ($965,000), of which 25 per cent. has been paid in. For the remaining 75 per cent. debentures have been issued by the shareholders, the four principal banks of Copenhagen. These debentures, deposited with the Danish ministry of finance, are payable on demand. The bank commenced operations January 1, 1905. Its head office is at St. Thomas, and two branches will be established in St. Croix. A new currency based upon the gold standard, with the franc (19.3 cents) as the unit, was introduced in the Danish West Indies at the same time. This new bank has obtained the sole right to issue bank notes, which will be payable in gold in the Danish West Indies and in Copenhagen at par—72 ore per franc.

German Trans-Oceanic Bank.—The German Trans-Oceanic Bank at Berlin, which has branches in Mexico, Argentina, Chile, and Spain, and will shortly open a branch bank in Peru, has just published its business statement for 1904. Its capital stock, which was increased during the year by 3,000,000 marks ($714,000), is 15,200,000 marks ($3,167,000). The gross earnings in 1904 were 3,606,000 marks ($858,204) and the net profits were 1,550,000 marks ($368,900). It declares a dividend of 8 per cent. on the capital stock. The amount of business done in 1904 (counting from only one side of the ledger) was 6,264,000 marks ($1,490,832). The bank reports very favorably on the economic standing of Argentina and Mexico, and states that conditions were fairly good in Chile, where the advance in the price of copper and saltpeter stimulated trade, that the commerce of Spain suffered from the drought, and that her industries feel the loss of the colonies.—*Richard Guenther, Consul-General, Frankfort, Germany.*

TRADERS' NATIONAL BANK, ROCHESTER, N. Y.

The Traders' Bank was organized in 1852 and entered the National banking system March 22, 1865, renewing its charter March 22, 1885, and again for a third term of twenty years on March 22 last. For forty years the capital stock was $250,000, and during that time the net earnings were $1,800,000, and the dividends paid to stockholders amounted to $1,300,000, and a surplus and profits fund of $750,000 was built up. Dividends have averaged about twelve per cent. a year, have never been less than five per cent. every six months, and have been paid with unfailing regularity without exception.

At the time of the recent renewal of the charter the capital was increased from $250,000 to $500,000. This was done by declaring a cash dividend of 100 per cent., which was distributed among the stockholders and used by

HON. H. C. BREWSTER, PRESIDENT TRADERS' NATIONAL BANK, ROCHESTER, N. Y.

them to pay for the new stock. Now the capital is $500,000 and the surplus and profits $512,000.

The Traders' National Bank has been intimately related to the commercial and industrial development of Rochester, and has, in fact, been strongly instrumental in the remarkable progress which the city has made. The deposits of the bank at the present time are between $5,000,000 and $6,000,000,

Hon. Henry C. Brewster, President of the Traders' National Bank, of Rochester, is one of the well-known bankers of the State. He was born at Rochester in 1845, and entered the employ of the Traders' Bank in 1863. He was appointed Cashier in 1868, first Vice-President in 1894, and President in 1898. From 1895 to 1899 he represented the Rochester Congressional District in the United States House of Representatives. At the first convention of the New York State Bankers' Association, held at Saratoga Springs in 1894, Mr. Brewster was elected Vice-President of the New York State Bankers' Association, and at the convention of 1899, held at Alexandria Bay, he was chosen President.

The other officers of the bank are: Cashier, Carroll E. Bowen; Vice-Presidents, Charles H. Palmer and Darrell D. Sully; Assistant Cashiers, Henry F. Marks and William J. Trimble.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—Spencer Trask & Co. recently made the annual distribution to members of the firm's staff under its profit-sharing plan. It is understood that the dividend constituted a large percentage of the salaries of employees, all of whom are beneficiaries. The plan has been in operation for twenty-five years.

—The American Institute of Bank Clerks has elected as new trustees Gates W. McGarrah, President of the Mechanics' National Bank, New York; James T. Hayden, President of the Whitney National Bank, New Orleans, and E. D. Hulbert, Vice-President Merchants' Loan and Trust Company of Chicago.

—The Clearing House balances on June 2 were the largest on record, aggregating $30,305,000. The exchanges for the day amounted to $426,517,000. The National City Bank had a debit balance of $20,220,000.

—George W. Ely has been appointed secretary of the Stock Exchange to succeed Wm. McClure, resigned. Mr. Ely served as secretary of the Exchange for a number of years prior to 1899. At that time he retired, and in 1891 sold his seat on the Stock Exchange.

—The French Government recently charged Ambassador Jusserand with the duty of informing James Stillman, President of the National City Bank, of New York, that the Superior Council of Instruction in France has voted unanimously to engrave Mr. Stillman's name on the walls of the Ecole des Beaux Arts at Paris.

—At the annual meeting of group No. 8 of the New York State Bankers' Association held May 11 at the New York Clearing-House, the following were elected to serve for the ensuing year: Herbert L. Griggs, President Bank of New York, chairman; Francis Halpin, Cashier Chemical National Bank, secretary and treasurer. Those elected to serve on the executive committee were: A. S. Frissel, William C. Duval, William Woodward, H. M. Kilborn and C. C. Thompson. The secretary and treasurer reports the group in a flourishing condition and that it now comprises 116 banks.

—It is reported that the plan to establish a stock exchange in Jersey City has been abandoned. The plan was originated in consequeence of the new tax levied by the State of New York on transfers of stock.

—Frederic P. Olcott recently resigned as President of the Central Trust Co., owing to failing health. James N. Wallace, for several years a Vice-President of the company, succeeds him. Mr. Olcott intends to withdraw entirely from active business life at least for a time. The officers and employees of the Central Trust Company presented him a silver loving-cup and a beautifully bound volume containing engrossed resolutions expressing appreciation of his services to the company and regreting his resignation.

NEW ENGLAND STATES.

Boston.—It is reported that the Mechanics' Trust Company will absorb the business of the Mechanics' National Bank.

MIDDLE STATES.

New York State Bankers' Association.—Arrangements are being completed for holding the annual convention of the association at the Hotel Frontenac, Thousand Islands, July 13 and 14. The following have already signified their readiness to be present and speak: Sir Wilfrid Laurier, Premier of Canada; Gov. Higgins, Gov. Myron T. Herrick, of Ohio; President S. R. Flynn, of the National Live Stock Bank, Chicago, and President Joseph G. Brown, of the Citizens National Bank, Raleigh, N. C.

New Banking Laws.—Governor Higgins (New York) has signed the bill of Senator Stevens, limiting the amount a bank or trust company may loan to any one borrower to forty per cent. of its capital stock and surplus, and pro-

viding that where such loans exceed one-tenth of capital stock and surplus the excess must be secured by collateral worth at least fifteen per cent. more than the amount thereof; also the bill which provides that Savings bank business hereafter may be conducted under that name only by a regularly organized Savings bank or a building and loan association.

The bill provides that no company or person shall "make use of the word 'savings' in their banking business, or advertise or put forth any advertising literature or sign as a Savings bank, or in any way solicit or receive deposits as a Savings bank," except the institutions mentioned.

A bill also passed and was signed, requiring trust companies to make statements quarterly instead of semi-annually as heretofore.

Pittsburg.—The statement of the Second National Bank on May 29 showed $14,208,954 deposits—an increase of $2,485,000 over the previous call.

Pennsylvania Bankers' Association.—The annual convention of this association will be held at Wilkes-Barre, June 15 and 16.

Baltimore.—On May 12, the Commercial and Farmers' National Bank completed ninety-five years of existence as a banking institution.

SOUTHERN STATES.

Chattanooga, Tenn.—The First National and the Chattanooga National have consolidated, the title of the institution to be determined on later. The consolidated bank will have a capital of $500,000, with a surplus of approximately $100,000 and deposits exceeding $400,000.

New Orleans.—An important deal was made on May 20. This was the amalgamation of the Germania National Bank and the Central Trust and Realty Compny, the latter having been lately organized with a capital of $1,000,000. The new concern, which will be styled the Germania National Bank and Trust Company, will have an aggregate capital and surplus of $2,500,000.

WESTERN STATES.

Chicago.—George F. Orde, Cashier of the Northern Trust Company, of Chicago, has been appointed Cashier of the First National Bank of Minneapolis.

St. Louis, Mo.—Stockholders of the Mercantile Trust Company recently received checks for the extra spring dividend of $4 per share, declared by the board of directors of the company May 8.

This dividend of four per cent. on the capital stock of $3,000,000 amounted to $120,000 and is in addition to the one per cent. a month regular dividends and also additional to the customary Christmas dividend of $4 per share.

The stockholders thus receive this year twenty per cent. return on their investment, or a total distribution in dividends of $600,000.

Battle Creek, Mich.—The Central National Bank of Battle Creek has been appointed a Government Depository of United States funds, as well as of post office deposits, also disbursing depository for the new post office building funds; a distinction and endorsement by the United States officials for the solidity and approved management of this strong and popular bank.

Kansas Bank Decision.—In the case of D. J. Fair and M. P. Shank vs. the Citizens' Bank, of Sterling, Kans., the Supreme Court of Kansas has decided as follows:

1. An affidavit of a renewal of a chattel mortgage in favor of a corporation after it is received and filed by the register of deeds of the county is not void, so as not to impart constructive notice of the lien of the mortgage, by reason of the fact that the affidavit is sworn to by an officer of the corporation before a notary public who is an officer and stockholder in said corporation.
2. The act of the notary public in administering the oath, in such case, is ministerial and not judicial and is at most voidable, not void.
3. A chattel mortgage regular upon its face, duly filed for record and accompanied by an affidavit of renewal, filed in proper time and regular upon its face and regular in fact, except for the latent defect that the notary public who administered the oath was a stockholder in the mortgagee corporation, imparts notice as fully as if such defect did not exist.

All the Justices concurring.

Kansas Bank Commissioner.—John Q. Royce has succeeded W. S. Albright as Bank Commissioner for the State of Kansas, Mr. Albright becoming assistant.

PACIFIC SLOPE.

Idaho Bankers' Organize.—At a meeting of the bankers of Idaho at Boise, May 10, the Idaho Bankers' Association was organized, with B. F. O'Neil, President of the State Bank of Commerce, Wallace, President, and A. K. Steunenberg, Cashier of the Caldwell Banking and Trust Company, secretary.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of new National banks organized since our last report.

APPLICATIONS TO ORGANIZE NATIONAL BANKS APPROVED.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

First National Bank, Frackville, Pa.; by John C. McGinnis, et al.
National Bank of New England, East Haddam, Conn.; by E. N. Peck, et al.
First National Bank, Lamont, Okla.; by A. C. Thompson, et al.
Wilmington National Bank, Wilmington, N. C.; by J. V. Grainger, et al.
Central National Bank, Buffalo, N. Y.; by Geo. F. Rand, et al.
American National Bank, McMinnville, Tenn.; by W. W. Fairbanks, et al.
Neoga National Bank, Neoga, Ill.; by L. A. Osborne, et al.
First National Bank, Wellston, Mo.; by S. W. Jurden, et al.
Marion National Bank, Marion, Ind.; by W. T. S. Blackburn, et al.
First National Bank, Somerton, Ohio; by Enfield J. Hoge, et al.
Otselic Valley National Bank, South Otselic, N. Y.; by Frank E. Cox, et al.
First National Bank, Orange, Cal.; by D. C. Pixley, et al.
First National Bank, Motley, Minn.; by D. L. Case, et al.
First National Bank, Warren, Ind.; by D. H. Griffith, et al.
First National Bank, Tolley, N. D.; by J. L. Mathews, et al.
Farmers' & Merchants' National Bank, Venus, Tex.; by B. C. Kelly, et al.
Walters National Bank, Walters, Okla.; by R. H. Sultan, et al.
First National Bank, Highmore, S. D.; by C. P. Swanson, et al.
First National Bank, Talihina, I. T.; by John T. Bailey, et al.
Brown National Bank, Jackson, Minn.; by John K. Brown, et al.
Citizens' National Bank, Vandergrift, Pa.; by S. H. Grimm, et al.
First National Bank, Lemoore, Cal.; by F. J. Beacock, et al.
First National Bank, Elizabethtown, Tenn.; by Lee F. Miller, et al.
City National Bank, St. Louis, Mo.; by J. E. Allen, et al.
Bowling Green National Bank, Bowling Green, Ky.; by J. F. Cox, et al.
First National Bank, Midlothian, Texas; by M. W. Hawkins, et al.
People's National Bank, Vandergrift, Pa., by F. F. Robinson, et al.
First National Bank, Flora, Ind.; by E. G. Kitzmiller, et al.
First National Bank, Somerville, Texas; by Louis W. Holman, et al.
First National Bank, Whitesville, N. Y.; by E. C. Ainsworth, et al.
First National Bank, Rogers, Ark.; by C. M. Lawson, et al.
First National Bank, Clear Lake, Iowa; by F. M. Rogers, et al.
Farmers' National Bank, Haskell, Texas; by R. C. Montgomery, et al.
First National Bank, Keokuk Falls, Okla.; by J. H. Everest, et al.
First National Bank, Winamac, Ind.; by W. S. Huddleston, et al.
First National Bank, Farmington, Minn.; by Edgar L. Irving, et al.
Old National Bank, Paris, Ill.; by A. J. Baber, et al.
National Bank of Easton, Easton, Md.; by R. B. Dixon, et al.
Pemberton National Bank. Pemberton, N. J.; by J. G. Montgomery, et al.
First National Bank, Sarles, N. D.; by Karl J. Farup, et al.
Corydon National Bank, Corydon, Ind.; by W. E. Cook, et al.
Houston National Bank, Dothan, Ala.; by John Sanders, et al.
First National Bank, Randolph, Iowa; by H. J. Failing, et al.
Jason Willson National Bank, Marion, Ind.; by Jason Willson, et al.
Mount Vernon National Bank, Mount Vernon, Ind.; by Wm. E. Holton, et al.
First National Bank, Carroll, Ohio; by J. D. Hummel, et al.

APPLICATION FOR CONVERSION TO NATIONAL BANKS APPROVED.

Sargent County State Bank, Cogswell, N. D.; into First National Bank.
Bank of Waukomis, Waukomis, Okla.; into First National Bank.
Bank of Perry, Perry, Fla.; into First National Bank.
State Bank, Edgeley, N. D.; into First National Bank.

NATIONAL BANKS ORGANIZED.

7706—First National Bank, Centralia, I. T. Capital, $25,000; Pres., T. R. Montgomery; Vice-Pres., E. C. Perlman; Cashier, T. C. Montgomery.
7707—First National Bank, Woodville, I. T. Capital, $25,000; Pres., H. G. Beard; Vice-Pres., A. G. Noble; Cashier, Ollie G. Beard; Asst. Cashier, Ion J. Weatherford.
7708—First National Bank, Princeton, Minn. Capital, $30,000; Pres., S. S. Petterson; Vice-Pres., T. H. Caley; Cashier, John F. Petterson.
7709—Virginia National Bank, Petersburg, Va. Capital, $300,000; Pres.,

Aug. Wright; Vice-Pres., Joseph W. Seward; Cashier, Walter Sparklin.

7710—Pen Argyl National Bank, Pen Argyl, Pa. Capital, $50,000; Pres., J. H. Werner; Vice-Pres., A. J. Meyers; Cashier, Wm. H. Oyer.

7711—First National Bank, Sardis, Ohio. Capital, $25,000; Pres., John Hess; Vice-Pres., Hugh E. Davenport; Cashier, John P. Goodwin.

7712—First National Bank, Grand Tower, Ill. Capital, $25,000; Pres., Chas. C. Huthmacher; Cashier, Lewis M. Crow.

7713—Citizens' National Bank, San Francisco, Cal. Capital, $200,000; Pres., Douglas S. Watson; Vice-Pres., Jas. J. Fagan and Albert Sutton; Cashier, W. W. Douglas.

7714—First National Bank, Tioga, Texas. Capital, $25,000; Pres., A. J. Mershon; Vice-Pres., M. W. Gilliland; Cashier, R. E. Chambers; Asst. Cashier, John W. Gilliland.

7715—Mechanics - American National Bank, St. Louis, Mo. Capital, $2,000,000; Pres., Walker Hill; Vice-Pres., H. P. Hilliard; Cashier, L. A. Battaile; Asst. Cashiers, J. S. Calfee and J. A. Berninghaus.

7716—Citizens' National Bank, Newport, Pa. Capital, $50,000; Pres., John Fleisher; Cashier, J. E. Wilson.

7717—First National Bank, Columbia. Ill. Capital, $25,000; Pres., Edward F. Schoening; Cashier, H. N. Kunz.

7718—First National Bank, Fairbanks, Alaska. Capital, $50,000; Pres., Samuel A. Bonnifield; Cashier, Luther C. Hess.

7719—First National Bank, Lodi, Cal. Capital, $25,000; Pres., Jno. B. Cory; Vice-Pres., M. W. Shidy.

7720—First National Bank, Las Cruces, N. M. Capital, $50,000; Pres., Nicholas Galles; Vice-Pres., Nathan Boyd; Cashier, C. Fay Sperry.

7721—State National Bank, Windsor, Vt. Capital, $25,000; Pres., Maxwell Evarts; Vice-Pres., Frank S. Hale; Cashier, Walter J. Saxie.

7722—First National Bank, Treverton, Pa. Capital, $25,000; Pres., J. S. Mengel; Vice-Pres., Chas. K. Eagle.

7723—City National Bank, Madill, I. T. Capital, $50,000; Pres., W. H. Lawrence; Vice-Pres., C. L. Jones and Geo. A. Henshaw; Cashier, F. S. Vaden.

7724—American National Bank, Wetumka, I. T. Capital, $25,000; Pres., Robert Reed; Vice-Pres., Jas. P. Atkins; Cashier, John D. Reed.

7725—German - American National Bank, Fort Wayne, Ind. Capital $200,000; Pres., Samuel M. Foster; Vice-Pres., Theo. Wentz and C. F. Pfeiffer; Cashier, Henry C. Berghoff.

7726—First National Bank, Beecher Ill. Capital, $50,000; Pres., Arthur Struve; Vice-Pres., Fred Wilke; Cashier, Carl Ehrhardt.

7727—First National Bank, Hannaford, N. D. Capital, $25,000; Pres., A. H. Berg; Vice-Pres., W. S. Hyde; Cashier, A. O. Anderson.

7728—National Bank of Benld, Benld, Ill. Capital, $25,000; Pres., R. E. Dorsey; Cashier, C. L. Hamilton.

7729—First National Bank, Canton Mo. Capital, $25,000; Pres., Junius Tompkins; Vice-Pres., C. W. Barrett; Cashier, F. C. Millspaugh; Asst. Cashier, Frank F. Page.

7730—First National Bank, St. Petersburg, Fla. Capital, $25,000; Pres., John Trice; Cashier, T. A. Chancellor.

7731—First National Bank, Valley View, Texas. Capital, $25,000; Pres., R. P. Head; Vice-Pres., J. B. Wells; Cashier, Richard P. Head.

7732—First National Bank, Lonaconing, Md. Capital $25,000; Pres., M. A. Patrick; Vice-Pres., James B. Dixon; Cashier, W. W. Shultice.

7733—St. Regis Falls National Bank, St. Regis Falls, N. Y. Capital, $25,000; Pres., H. E. O'Neill; Vice-Pres., Frank S. Young; Cashier, John A. May.

7734—American National Bank, Graham, Va. Capital, $25,000; Pres., Wm. E. Fowler; Vice-Pres., D. G. Lily; Cashier, E. A. Williams.

7735—Citizens' National Bank, Lansdale, Pa. Capital, $50,000; Pres., Henry L. S. Ruth; Vice-Pres., Geo. S. Snyder; Cashier, E. R. Musselman.

7736—Citizens' National Bank, Guthrie Center, Iowa. Capital, $25,000; Pres., Jno. W. Foster, Vice-Pres., T. J. Foster; Cashier, O. D. Williams; Asst. Cashier, F. R. Jones.

7737—First National Bank, University Place, Neb. Capital, $25,000; Pres., Chas. G. Anderson; Vice-Pres., D. W. C. Huntington; Cashier, E. S. Kirtland; Asst. Cashier, Milton E. Burke.

7738—First National Bank, Turlock, Cal. Capital, $25,000; Pres., O. McHenry; Vice-Pres., Garrison Turner; Cashier, C. O. Anderson.

7739—First National Bank, Moweaqua, Ill. Capital, $25,000; Pres., J. E. Gregory; Vice-Pres., Will G. Thompson; Cashier, J. W. Gregory; Asst. Cashier, H. R. Gregory.

7740—Claiborne National Bank, Tazewell, Tenn. Capital, $25,000; Pres., G. W. Montgomery; Vice-Pres., H. Y. Hughes; Cashier, W. H. Eppes.

7741—First National Bank, Excelsior Springs, Mo. Capital, $25,000; Pres., Adrian Gordan; Cashier, F. M. Kern.

7742—First National Bank, Glenwood, Minn. Capital, $35,000; Pres., Alba Webster; Vice-Pres., P. Peterson; Cashier, W. F. Dougherty.

7743—First National Bank, Elko, Nevada. Capital, $100,000; Pres., Oscar J. Smith; Vice-Pres., Bert L. Smith and E. S. Farrington; Cashier, R. H. Mallett; Asst. Cashier, J. C. Doughty.

7744—Athens National Bank, Athens, Ohio. Capital, $100,000; Pres., W. N. Alderman; Vice-Pres., H. D. Henry; Cashier, J. D. Foster, Jr.

7745—Huntington National Bank, Columbus, Ohio. Capital, $400,000; Pres., P. W. Huntington; Vice-Pres., F. R. Huntington; Cashier, Theo. S. Huntington; Asst. Cashier, B. G. Huntington.

7746—First National Bank, Jasper, Ala. Capital, $50,000; Pres., J. H. Cranford; Vice-Pres., P. P. Hunter and J. M. Cranford; Cashier, Asa Cranford; Asst. Cashier, H. W. Cranford.

7747—Hugo National Bank, Hugo, I. T. Capital, $50,000; Pres., J. F. McReynolds; Vice-Pres., B. A. Nel-

son; Cashier, Arthur Adams; Asst. Cashier, J. H. Jackson.

7748—Ozona National Bank, Ozona, Texas. Capital, $50,000; Pres., J. W. Henderson; Vice-Pres., L. B. Cox; Cashier, J. B. Reilly.

7749—People's National Bank, Rochester, Pa. Capital, $50,000; Pres., John Conway; Vice-Pres., James G. Mitchell; Cashier, Joseph C. Campbell.

7750—First National Bank, Dahlgren, Ill. Capital, $25,000; Pres., J. H. Miller; Vice-Pres., Albert Sturman; Cashier, W. B. Maulding.

7751—National Bank of Beattyville, Beattyville, Ky. Capital, $25,000; Pres., John J. McHenry; Vice-Pres., Theo. B. Blakey; Cashier, Pope McAdams; Asst. Cashier, Monroe McGuire.

7752—National Bank of Shawneetown, Shawneetown, Ill. Capital, $25,000; Pres., Louis W. Goetzman; Vice-Pres., E. Eberwine; Cashier, D. E. Froehlich.

7753—Bay City National Bank, Bay City, Texas. Capital, $50,000; Pres., Hy. Rugeley; Vice-Pres., T. J. Poole; Cashier, J. P. Keller.

7754—Metuchen National Bank, Metuchen, N. J. Capital, $30,000; Pres., Charles L. Corbin; Vice-Pres., Robert D. Kent and F. E. Barnard; Cashier, Alex. C. Litterst.

7755—First National Bank, Garretson, S. D. Capital, $25,000; Pres., Thomas Wangsness; Vice-Pres., E. J. Berdahl; Cashier, E. L. Swift.

7756—Farmers' National Bank, Tecumseh, Okla. Capital, $25,000; Pres., M. L. Caldwell; Vice-Pres., H. V. Foster; Cashier, A. G. Caldwell; Asst. Cashier, T. E. Durham.

NEW STATE BANKS, BANKERS, ETC.

ALABAMA.

New Decatur—Commercial Savings Bank & Trust Co.; capital, $25,000; Pres., B. W. Watson; Vice-Pres., E. H. Allison; Cashier, G. L. Bowles.

York—Merchants' & Farmers' Bank; capital, $12,500; Pres., E. F. Ballard; Vice-Pres., W. A. Altman; Cashier, R. S. McKnight.

ARKANSAS.

De Witt—Home State Bank; capital, $15,000; Pres., E. B. Gibson; Vice-Pres., J. J. Woolfolk, Sr.; Cashier, J. M. Thompson.

Gravette—Citizens' Bank; capital, $15,000; Pres., E. M. Gravett; Vice-Pres., W. H. Austin; Cashier, Jas. Banks.

Humphrey—Bank of Humphrey; capital, $5,000; Pres., Jno. K. Anthony; Vice-Pres., C. M. Acklin; Cashier, Edwin B. Stokes; Asst. Cashier, V. D. Harlin.

St. Francis—Bank of St. Francis; capital, $5,000; Pres., W. C. Whiteaker; Vice-Pres., D. R. Stanley; Cashier, S. F. Ramsey.

Thornton—Planters & Lumbermen's Bank; capital, $10,000; Pres., B. E. Halpin; Vice-Pres., A. L. Wilson; Cashier, G. E. Henry.

CALIFORNIA.

Anderson—Bank of Anderson; capital, $12,500; Pres., M. E. Wilson; Vice- Pres., Ralph Souder; Cashier, W. C. Barkuloo.

Fortuna—Bank of Fortuna; capital, $25,000; Pres., E. W. Haight; Vice-Pres., F. P. Newell; Cashier, A. H. Smith.

Lompoc—Lompoc Valley Bank; capital, $25,000; Pres., Geo. S. Edwards; Vice-Pres., E. M. Sheridan; Cashier, R. A. Lazier.—Lompoc Valley Savings Bank; capital, $12,500; Pres., Geo. S. Edwards; Vice-Pres., E. M. Sheridan; Cashier, R. A. Lazier.

Oakdale—Stanislaus County Savings Bank; capital, $15,000; Pres., E. Rodden; Vice-Pres., P. Brichetto; Cashier, W. L. Rodden.

Santa Rosa—Union Trust Savings Bank; capital, $100,000; Pres., E. F. Woodward; Vice-Pres., C. W. Savage; Cashier, Edson C. Merritt.

COLORADO.

Aula—Farmers' Bank; capital, $12,000; Pres., W. W. Sullivan; Cashier, Ray M. Gale.

Denver—German-American Trust Co.; capital, $300,000; Pres., Godfrey Schirmer; Vice-Pres., A. J. Zang; Sec., Wm. F. Dieter.—Union Dime Bank; capital, $15,300; Pres., James Doyle; Vice-Pres. and Cashier, Philip J. Lonergan; Asst. Cas., John Lonergan.

FLORIDA.

Melbourne—Fee & Stewart (successor to E. P. Branch); Pres., F. H. Fee; Manager, C. H. Stewart.

GEORGIA.

Claxton — Merchants & Farmers' Bank; capital, $15,000; Pres., R. H. Edwards; Vice-Pres., W. B. DeLoach; Cashier, W. L. Edwards.

Lawrenceville—Brand Banking Co.; capital, $3,500; Pres., E. M. Brand; Vice-Pres., T. R. Powell; Cashier, L. M. Brand.

Milltown—Bank of Milltown; capital, $15,000; Pres., Jno. F. Lewis; Vice-Pres., J. V. Talley; Cashier, M. W. Burgeron.

Richland—People's Bank; capital, $25,000; Pres., L. O. Benton; Vice-Pres., Ed. Carter; Cashier, Buck Ellington; Asst. Cashier, R. J. Dixon.

Swainsboro—Bank of Emanuel; capital, $15,000; Pres., Green Bell; Vice-Pres., J. L. Carmichael; Cashier, W. H. Proctor.

IDAHO.

Orofino—Orofino Trading Co.; capital, $8,000; Pres., F. W. Kattenbach; Vice-Pres., O. A. Anderson; Sec., A. E. Hohnberg.

ILLINOIS.

Chicago—Englewood State Bank (successor to Englewood Bank); capital, $200,000; Pres., C. H. Vehmeyer; Cashier, John R. Burgess; Asst. Cashier, D. E. Terriere.—Kaspar State Bank (successor to Kaspar & Karel); capital, $200,000; Pres., Wm. Kaspar; Vice-Pres., Otto Kaspar; Cashier, Chas. Krupka.

Harrisburg—Harrisburg State Savings Bank; capital, $50,000; Pres.,

R. J. McIlrath; Vice-Pres., J. B. Ford; Cashier, H. A. Murphy, Asst. Cashier, Guy Patterson.

Middletown—Farmers' State Bank (successor to Farmers' Deposit Bank); capital, $35,000; Pres., Louis A. Buchner; Vice-Pres., H. A. Binns; Cashier, G. H. Warren.

Odin—Bank of Odin; Pres., Fred Bass; Vice-Pres., A. G. Maury; Cashier, D. E. Goodwine.

INDIANA.

Fairmount—Fairmount State Bank (successor to Fairmount Banking Co.); capital, $25,000; Pres., John Flanagan; Vice-Pres., Aaron Morris; Cashier, R. A. Morris, Asst. Cashier, C. R. Small.

Indiana Harbor—Indiana Harbor State Bank (successor to Lake County State Bank); capital $50,000; Pres., Albert DeW. Erskine; Cashier, Otto J. Gondolf.

Pennville—Poeple's Bank; capital, $13,250; Pres., R. L. Carlin; Vice-Pres., L. W. Edmundson; Cashier, Wm. Bloxsom; Asst. Cashier, H. H. Coffel.

West Terre Haute—Bank of West Terre Haute; capital, $50,000; Pres., Chas. H. Ehrmann; Vice-Pres., Timothy Donovan; Cashier, M. S. Weills; Treas., Charles Whitcomb.

INDIAN TERRITORY.

Garvin—Bank of Garvin; capital, $5,000; Pres., B. L. Denison; Vice-Pres., T. J. Barnes; Cashier, G. M. File; Asst. Cashier, H. T. Wright.

Kiowa—Merchants & Planters' Bank; capital, $25,000; Pres., Charles Laflore; Vice-Pres., W. N. Vernon and E. A. Robinson; Cashier, C. W. Crum.

Muskogee—Bank of Commerce; capital, $300,000; Pres., W. E. Rowsey; Vice-Pres. and Cashier, A. M. Young; Asst. Cashier, M. G. Haskell.

Wewoka—Farmers & Merchants' Bank; capital, $14,000; Pres., L. C. Parmenter; Vice-Pres., M. F. Manville; Cashier, W. J. Ryan.

IOWA.

Clinton—Lyons (P. O.)—Iowa State Savings Bank; capital, $75,000; Pres. Chas. H. Ingwersen; Vice-Pres., Thomas J. Hudson; Cashier, Gustav Gradert.

Decatur — Citizens' State Savings Bank (successor to Citizens' Bank); capital, $20,000; Pres., Wm. Woodard; Vice-Pres., James Creswell; Cashier, E. W. Townsend; Asst. Cashier, Vernon Anderson.

Kellerton — Kellerton State Bank (successor to Kellerton Bank); capital, $25,000; Pres., J. A. Woolinns; Vice-Pres., T. C. Gorsuch; Cashier, W. G. McCleary; Asst. Cashier, R. W. Newton.

Melbourne—Melbourne Savings Bank (successor to Farmers' Bank); capital, $11,000; Pres., Arch. D. Butts; Vice-Pres., Lewis Scholer; Cashier, Walter Canaday; Asst. Cashier, H. F. Stouffer.

Ottumwa—Citizens' Savings Bank (successor to Citizens' Bank); capital, $50,000; Pres., L. A. Andrew; Vice-Pres., Geo. A. Brown; Cashier, E. O. Hedrick; Asst. Cashier, Emma Anderson.

Terril—Terril Savings Bank (successor to Farmers' Bank); capital, $10,000 Pres., F. H. Rhodes; Vice-Pres., J. M. Wade; Cashier, D. E. Neville.

Tipton—Farmers & Merchants' Savings Bank (successor to Home Savings Bank and Tipton Savings Bank): capital $30,000; Pres., J. C. France; Vice-Pres., F. H. Milligan; Cashier, S. A. Jennings; Asst. Cashier, A. M. Dean.

KANSAS.

Arkansas City—Security State Bank; capital, $35,000; Pres., S. J. Gilbert; Vice-Pres., J. W. Martin; Cashier, Austin J. Evans.

Garland—Garland State Bank; capital, $10,000; Pres., John W. Golden; Vice-Pres., C. W. Snider; Cashier, P. E. Laughlin.

Girard—State Bank; capital, $30,000; Pres., S. Alice Haldeman; Vice-Pres., Anna A. H. Addams; Cashier, Oscar W. Schaeffer; Asst. Cashier, W. M. Brizendine.

Iola—Allen County State Bank (successor to Bank of Allen County); capital, $30,000; Pres., Geo. A. Bowles; Cashier, Thomas H. Bowles.

Iuka—Iuka State Bank; capital, $10,000; Pres., Thad. C. Carver; Cashier, Arthur P. Reece.

Kingman—State Bank; capital, $10,000; Pres., C. W. Sample; Vice-Pres., David Walter, Cashier, Clyde Murphy.

Manchester—Manchester State Bank; capital, $10,000; Pres., F. J. Atwood; Vice-Pres., W. W. Bowman; Cashier, S. R. Coate.

Peru—Citizens' State Bank; capital, $15,000; Pres., W. C. McClain; Vice-Pres., H. E. West; Cashier, Geo. H. Bechtel.

Stanley—State Bank; capital, $10,000; Pres., J. H. Schrader; Vice-Pres., W. W. Frye; Cashier, E. J. McCreary, Jr.

Waterville—Merchants' State Bank (successor to Merchants' Bank); capital, $10,000; Pres., Chester Thomas; Cashier, F. P. Thorne.

KENTUCKY.

Henshaw—Bank of Henshaw; capital, $15,000; Pres., W. H. Nunn; Vice-Pres., I. V. Runyan; Cashier, T. C. Bingham.

LOUISIANA.

Centreville—Centreville Bank; Pres., J. A. Barnett; Vice-Pres., Jacob Clausen; Cashier, Isaac S. Wooster.

New Orleans—Security Bank & Trust Co.; capital, $500,000; Pres., E. Perrin; Vice-Pres., Myer Leniann; Cashier, E. S. D. Logan.

MAINE.

Lewiston—Chas. C. Benson & Co. (successor to S. E. May & Co.)

MARYLAND.

Annapolis — Annapolis Banking & Trust Co.; capital, $50,000; Pres., Luther H. Gadd; Vice-Pres., G. Thomas Beasley; Treas. and Sec., A. A. Joyce.

Baltimore—Wm. A. Read & Co.

MASSACHUSETTS.

Boston—Wm. A. Read & Co.

North Adams—Butler & Hodge.

MICHIGAN.

Brooklyn—Farmers' State Bank; capi-

tal, $25,000; Pres., E. J. Ennis; Vice-Pres., H. A. Ladd; Cashier, E. F. Horning.

Cheboygan—Cheboygan State Bank; capital, $50,000; Pres., Frank Shepherd; Vice-Pres., Wm. P. DeKlyne; Cashier, Geo. G. Brown.

Grand Ledge—Grand Ledge State Bank (successor to Citizens' Bank); capital, $20,550; Pres., W. R. Clarke; Vice-Pres., A. B. Schumaker; Cashier, B. R. Moore.

Holland—People's State Bank; capital, $50,000; Pres., A. Visscher; Vice-Pres., B. D. Keppel.

Midland—People's Savings Bank; capital, $25,000; Pres., Wm. L. Baker; Vice-Pres., H. H. Dow; Cashier, E. A. Lane.

Nashville—State Savings Bank (successor to Barry & Downing); capital, $25,000; Pres., J. B. Marshall; Vice-Pres., H. Setterington; Cashier, O. J. McQuistion.

Zeeland—State Commercial & Savings Bank; capital, $35,000; Pres., Wm. Wichers; Vice-Pres., Joy Heck; Cashier, Benjamin Neerken.

MINNESOTA.

Battle Lake—First State Bank (successor to Winslow's Bank); capital, $15,000; Pres., W. L. Winslow; Vice-Pres., E. A. Everts; Cashier, G. H. Hopkins.

Clearwater—First State Bank (successor to Whittemore Bros. Bank); capital, $10,000; Pres., Jos. Whittemore; Cashier, C. D. Whittemore.

Courtland—Courtland State Bank; capital, $15,000; Pres., J. G. Lund; Vice-Pres., J. H. Doty; Cashier, F. E. Dix.

Ivanhoe—Lincoln County State Bank (successor to Ivanhoe National Bank); capital, $15,000; Pres., L. M. Townsend; Vice-Pres., A. E. Anderson; Cashier, W. O. Gilruth.

Marietta—Marietta State Bank (successor to Gold & Co.); capital, $15,000; Pres., J. T. Gold; Vice-Pres., W. H. Gold; Cashier, A. C. Miller; Asst. Cashier, F. L. Stone.

Odessa—First State Bank (successor to Bank of Odessa); capital, $15,000; Pres., M. Ferch; Vice-Pres., R. Mengel; Cashier, C. F. Ferch; Asst. Cashier, Walter Carl.

Orleans—Bank of Orleans; Cashier, C. W. Clow.

St. Michael—State Bank; capital, $10,000; Pres., S. J. Mealey; Vice-Pres., Nick Lennerman; Cashier, Henry Berning.

St. Paul—East St. Paul State Bank; capital, $25,000; Pres., G. D. Eygabroad; Vice-Pres., L. C. Stebbins; Cashier, P. M. Reagan.

MISSISSIPPI.

Centreville—Commercial Bank; capital, $20,000; Pres., W. I. Marsalis; Vice-Pres., J. N. Sessions; Cashier, H. D. McGehee.

Jackson—Union Savings & Deposit Bank; capital, $25,000; Pres., Samuel S. Carter; Vice-Pres., O. J. Wait; Sec. and Treas., R. F. Young.—Security Savings Bank; Pres., C. A. Bonds; Vice-Pres., A. H. Harrison; Cashier, V. M. Roby.

Schlater—Bank of Schlater; capital, $25,000; Pres., E. V. Catoe; Vice-Pres., D. C. Anderson; Cashier, J. E. Greer.

Sunflower—Bank of Sunflower; capital, $10,000; Pres., A. W. Oliver; Vice-Pres., J. W. Rule; Cashier, J. G. Howell.

MISSOURI.

Avalon—Citizens' Bank; capital, $5,000; Pres., H. J. Burnes; Vice-Pres., S. A. Browning; Cashier, Wm. M. Paynter.

Bonnots Mill—Bank of Bonnots Mill; capital, $10,000; Pres., Alex. Verdot; Vice-Pres., H. Dieckriede; Cashier, J. F. Dubrouillet.

Cairo—Bank of Cairo; capital, $10,000; Pres., J. W. Stigall; Vice-Pres., John Halliburton; Cashier, T. G. Haden.

Gifford—Farmers' Exchange Bank; capital, $10,000; Pres., Samuel L. Gash; Vice-Pres., Wm. A. Robinson; Cashier, Jose H. Bradley; Asst. Cashier, Levi D. Thompson.

New Madrid—Hunter's Bank; capital, $20,000; Cashier, D. R. Hunter.

Webb City—Merchants & Miners' Bank; capital, $50,000; Pres., L. J. Stevison; Vice-Pres., W. E. Patten; Cashier, C. M. Manker; Cashier, T. F. Sexton.

NEBRASKA.

Bethany—First State Bank; capital, $5,000; Pres., C. W. Fuller; Vice-Pres., P. R. McCoy; Cashier, L. S. Hurst.

Garrison — Farmers & Merchants' Bank (successor to Bank of Garrison); capital, $10,000; Pres., F. J. Kirchman; Vice-Pres., W. C. Kirchman; Cashier, Geo. F. Kares.

Huntley—State Bank; capital, $6,000; Pres., C. W. Price; Vice-Pres., Geo. A. Dailey; Cashier, O. H. Johnson.

NEVADA.

Bullfrog—Southern Nevada Banking Co.; capital, $25,000; Pres., Oscar J. Smith; Vice-Pres., Bert L. Smith; Cashier, F. H. Stickney.

Las Vegas—Las Vegas Bank & Trust Co.; capital, $30,000; Pres., W. D. Wilson; Vice-Pres., C. V. Wreden; Cashier, Geo. F. Polenz; Asst. Cashier, Walter R. Wheat.

NEW YORK.

New York—Metropolitan Bank (successor to Maiden Lane National Bank); capital, $1,000,000; Pres., Henry Ollesheimer; Vice-Pres., Wm. M. Perkins; Cashier, Chas. A. Belling.

NORTH CAROLINA.

Apex—Merchants & Farmers' Bank; capital, $5,000; Pres., W. H. Harwood; Vice-Pres., W. F. Utley; Cashier, James R. Cunningham.

Mebane — Commercial & Farmers' Bank; capital, $8,000; Pres., J. B. Mason; Vice-Pres., W. A. Murray; Cashier, S. G. Morgan.

North Wilkesboro—Citizens' Loan & Trust Co.; capital, $25,000; Pres., R. W. Gwyn; Vice-Pres., J. B. Horton; Sec. and Treas., H. W. Horton.

Pinetops — Pinetops Banking Co.; capital, $11,900; Pres., Henry Clark Bridgers; Vice-Pres., J. C. Hales; Cashier, L. F. Hales.

NORTH DAKOTA.

Beach—Golden Valley State Bank; capital, $5,000; Pres., F. E. Near; Vice-Pres., E. E. Mikkelson; Cashier, O. A. Anderson.

Dwight—Dwight Bank; capital, $10,000; Pres., C. M. Johnson; Vice-Pres., Thorvald Rustad; Cashier, O. H. Fischer.
Landa—First International Bank; capital, $6,300; Pres., P. S. Hilliboe; Vice-Pres., George Sunberg; Cashier, C. S. Jacobson.
Pleasant Lake—Bank of Pleasant Lake; capital, $10,000; Pres., E. B. Page; Vice-Pres., E. F. Jones; Cashier, O. H. Erickson.
Rogers—First State Bank; capital, $10,000; Pres., Nels Larson; Vice-Pres., A. O. Tolstad; Cashier, Carl E. Lange.
Verona—State Bank; capital, $10,000; Pres., Albert G. Anderson; Vice-Pres., John H. Oerding; Cashier, Thomas A. Wilson.

OHIO.

Huron—Berlin Heights Banking Co. (Branch).
Mount Pleasant—Citizens' Savings Bank Co.; capital, $25,000; Pres., R. W. Chambers; Vice-Pres., Oliver Thomas; Cashier, E. H. Hayne.
Sardinia—Sardinia Banking Co. (successor to Bank of Sardinia); capital, $15,600; Pres., W. E. Hare; Vice-Pres., O. E. Bare; Cashier, W. J. Marshall.

OKLAHOMA.

Cantonment—Bank of Cantonment (successor to Bank of Fay); capital, $5,000; Pres., H. Clay Willis; Vice-Pres., Oliver P. Willis; Cashier, E. Eugene Willis.
Nashville—Bank of Nashville; capital, $10,000; Pres., J. C. McClelland; Vice-Pres., J. H. Barnes; Cashier, W. G. Moorman.
Sparks—Farmers & Merchants' Bank; capital, $5,000; Pres., H. S. Emmerson; Vice-Pres., D. W. Collier; Cashier, M. F. Emmerson; Asst. Cashier, R. H. Bartlett.
Supply—Bank of Supply; capital, $10,000; Pres., J. A. Stine, Cashier, E. L. Gandy.
Temple—Farmers & Merchants' State Bank; capital, $15,000; Pres., J. C. Gipson; Vice-Pres., T. N. Gay; Cashier, J. A. Williams; Asst. Cashier, T. N. Gay.

OREGON.

Condon—Gilliam County Bank; capital, $50,000; Pres., S. B. Barker; Vice-Pres., Jay Bowerman; Cashier, C. O. Portwood.
Lexington — Bank of Heppner (Branch); W. B. McAlister, Mgr.

PENNSYLVANIA.

Pittsburg—Columbia Savings & Trust Co.; capital, $200,000; Pres., W. J. Diehl; Vice-Pres., A. J. McQuitty; Treas., E. W. Rolfe; Asst. Treas., J. M. Votaw.

SOUTH CAROLINA.

Florence — Farmers & Mechanics' Bank; capital, $25,000; Pres., J. W. Ragsdale; Vice-Pres., E. M. Matthews; Asst. Cashier, E. H. Lucas, Jr.
Greenville—Brandon Savings Bank; capital, $5,000; Pres., J. I. Westervelt; Vice-Pres. and Treas., W. B. Smith; Sec., C. E. Hatch.—Interstate Trust Co., capital, $100,000; Pres. and Treas., F. F. Capers; Vice-Pres., E. A. Smyth and L. W. Parker.

SOUTH DAKOTA.

Colton—Colton Savings Bank; capital, $10,000; Pres., C. N. Peterson; Vice-Pres., H. R. Dennis; Cashier, L. T. Arduser.
Naples—Clark County Bank; capital, $5,000; Pres., S. P. Seirson; Vice-Pres., Geo. W. Najers; Cashier, R. D. Bailey.
Virgil—Virgil State Bank; capital, $5,000; Pres., W. T. McConnell; Vice-Pres., W. C. Denison; Cashier, L. H. McKeel.

TENNESSEE.

Atwood—Atwood Banking Co.; capital, $20,000; Pres., H. P. Webb; Vice-Pres., Sam. F. Burger; Cashier, Giles Smith.
Dukedom—Dukedom Bank; capital, $15,000; Pres., J. S. Cavender; Cashier, E. E. Atkins.
Livingston—Farmers' Bank (successor to People's Bank); capital, $16,000; Pres., A. H. Roberts; Vice-Pres., A. C. Murphy; Asst. Cashier, T. B. Copeland.
Petros—Morgan Bank & Trust Co.; capital, $10,000; Pres., A. H. Wood; Vice-Pres., C. C. Jackson; Cashier, W. S. McKinney.

TEXAS.

Aquilla—Aquilla State Bank; capital, $10,000; Pres., J. W. Butler; Vice-Pres., J. L. Cauble and O. M. Cato; Cashier, M. G. Olsen.
Lometa—Bank of Lometa; capital, $10,000; Pres., A. L. Haine; Vice-Pres., J. M. Wilhite; Cashier, John T. McCarson.
Paradise—Wise County Bank; capital, $10,000; Pres., W. R. Thompson; Cashier, J. Z. Carter; Asst. Cashier, M. E. Carter.

VIRGINIA.

Boykins—Bank of Boykins; Pres., W. W. White; Vice-Pres., W. A. Powell; Cashier, W. M. Kelly.
Stony Creek—Bank of Stony Creek; capital, $10,000; Pres., R. B. Hartley; Vice-Pres., R. F. Moss.

WASHINGTON.

Ballard—State Bank; capital, $25,000; Pres., Thomas Sanderson; Vice-Pres., John E. Ostrom; Cashier, Geo. E. Sanderson.
La Crosse—First Bank; Pres., Chas. E. Scriber; Cashier, J. E. Moore.
Prosser—Citizens' State Bank; capital, $25,000; Pres., C. H. Pearl; Cashier, Guy H. Pearl.
Republic—Ferry County State Bank; capital, $15,000; Pres., P. H. Walsh; Vice-Pres., J. L. Harper; Cashier, J. L. Walsh.

WEST VIRGINIA.

Athens—Bank of Athens; capital, $10,000; Pres., H. M. Shumate; Vice-Pres., J. F. Holroyd; Cashier, M. A. Lowe.
Oak Hill—Merchants' and Farmers' Bank; capital, $6,000; Pres., C. T. Jones; Vice-Pres., J. S. Lewis.

WISCONSIN.

Grantsburg—Grantsburg State Bank; capital, $12,500; Pres., F. H. Wellcome; Vice-Pres., O. Erickson; Cashier, H. A. Anderson.

Montfort—Citizens' State Bank; capital, $10,000; Pres., John Kramer; Vice-Pres., Wm. F. DiVall; Cashier, David James.
Neosho—Neosho State Bank; capital, $15,000; Pres., D. B. Greene; Vice-Pres., John Mertes; Cashier, J. K. Douglass; Asst. Cashier, Martin Leicher.

WYOMING.

Thermopolis—Stock Growers' Bank (successor to J. W. Martin & Co.); capital, $15,000; Pres., James Decker; Vice-Pres., John A. Thompson; Cashier, J. W. Martin.
Torington—Snow & Clark; capital, $5,000; Cashier, J. S. Snow.

CANADA.

ONTARIO.

Manotick—Union Bank of Canada; Joseph Anderson, Manager.
Port Arthur—Canadian Bank of Commerce; A. W. Robards, Mgr.

BRITISH COLUMBIA.

Mount Pleasant—Royal Bank of Canada.
Vernon—Royal Bank of Canada; H. K. Wright, Mgr.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

Gadsden—First National Bank; capital increased to $100,000.

ARKANSAS.

Batesville — Independence County Bank; title changed to Independence County Bank and Trust Co.
Eureka Springs — Commercial Bank; J. C. Meadors, Asst. Cashier.
Greenwood—First National Bank; Paul Little, Pres. in place of R. H. McConnell.
Harrison—People's Bank; J. E. Franklin, Pres. in place of J. A. Bunch; W. J. Myers, Vice-Pres.
Nashville—Commercial Bank; J. H. Skillern, Cashier.

CALIFORNIA.

Berkeley—University Savings Bank; William H. Roberts, Cashier in place of John U. Calkins, resigned.
Cloverdale—Bank of Cloverdale; C. B. Shaw, Cashier, resigned.
Geyserville—Bank of Geyserville; E. F. Woodward, Pres., resigned.
Oakland—Oakland Bank of Savings; Henry Rogers, Pres. in place of Isaac L. Requa; W. W. Garthwaite, Vice-Pres. and Manager; J. Y. Eccleston, Cashier; F. A. Allardt and Samuel Breck, Asst. Cashiers.
Petaluma—Petaluma National Bank; Henry Schluckebier, Pres. in place of Charles Martin, deceased.
San Diego—First National Bank; D. F. Garretson, Pres. in place of Jacob Gruendike, deceased; Homer H. Peters, Vice-Pres.
San Francisco—Bank of Italy; Lorenzo Scatena, Pres. in place of A. Chichizola. — American National Bank; E. W. Wilson, Vice-Pres., in place of James J. Fagan; E. J. Briberg anl O. D. Jacoby, Asst. Cashiers. — Wells Fargo Nevada National Bank; F. L. Lipman, Cashier in place of Geo. Grant; Frank B. King, Geo. Grant and Jno. E. Miles, Asst. Cashiers.—Western National Bank; Wm. C. Murdoch, Jr., Asst. Cashier. — Mechanics' Savings Bank; John U. Calkins, Cashier in place of Frederick Clark.
Wheatland—Farmers' Bank; T. H. Thomas, Pres., resigned.

CONNECTICUT.

Bridgeport — City National Bank; Frank Miller, Pres. in place of Edwin G. Sanford, deceased.
Hartford—United States National Bank; Frederick G. Sexton, Cashier, deceased.
Middletown.—Middletown National Bank; E. K. Hubbard, Pres. in place of Melvin B. Copeland, deceased Henry Woodward, Vice-Pres. in place of E. K. Hubbard; Frank C. Smith, Asst. Cashier.

DISTRICT OF COLUMBIA.

Washington—Union Savings Bank; Geo. O. Walson, Treas.; capital increased to $100,000.

FLORIDA.

Madison—First National Bank and Madison County State Bank; consolidated under former title; L. A. Fraleigh, Pres. in place of M. C. Drew; T. C. Smith and W. M. Burton, Vice-Pres. in place of L. A. Fraleigh and D. G. Smith; J. W. Wadsworth, Cashier in place of T. C. Smith.
Ybor City—Bank of Ybor City; Geo. E. Simpson, Cashier in place of A. I. Porter.

GEORGIA.

Cordele — Cordele National Bank; Clarence West, Asst. Cashier in place of J. J. Dixon, resigned.

ILLINOIS.

Champaign — Champaign National Bank; F. S. Bailey, Cashier in place of W. W. Maxwell; H. E. McNevin, Asst. Cashier in place of F. S. Bailey.—First National Bank; H. H. Harris, Pres. in place of B. F. Harris; Geo. A. Turell, Cashier in place of H. H. Harris.
Chicago—Chicago Title and Trust Co.; Elbridge G. Keith, Pres., deceased.—Calumet National Bank; John J. Cunnea, Asst. Cashier.
Kankakee—First National Bank; J. Frank Leonard, Vice-Pres., deceased.
Murphysboro—City National Bank; Chas. F. Chapman, Cashier in place of E. A. Wells.
Oswego—Oswego Banking Co.; Leonard F. Burkhart, Pres. in place of F. H. Earl.
Ridge Farm—First National Bank; L. W. Coe, Vice-Pres. in place of A. P. Saunders.
Savanna—Commercial State Bank; Bothwell Pulford, Pres., deceased.

INDIANA.

Marion—Marion State Bank (successor to Marion Bank); capital, $15,000.
Mount Vernon—First National Bank;

Edward Highman, Pres.; M. Cronback, Vice-Pres. and Cashier.
Tell City—Citizens' National Bank; no Asst. Cashier in place of Clyde A. Scull.

INDIAN TERRITORY.

Bartlesville — American National Bank; J. B. Jones, Pres. in place of H. N. Cook; J. S. Glenn, First Vice-Pres. in place of C. A. Cook; Wm. L. Norton, Second Vice-Pres.
Ramona—First National Bank; J. S. Cameron, Jr., Pres. in place of A. S. Burrows; no Asst. Cashier in place of J. R. de Cordova.

IOWA.

Bagley—First National Bank; Chas. W. Cain, Asst. Cashier.
Blanchard—Inter-State Savings Bank; O. E. Emery, Cashier.
Odebolt—Farmers' National Bank; A. E. Baker, Cashier in place of S. Ben Sayre.
Seymour—Farmers' and Drovers' State Bank; W. S. Llewellyn, Pres., deceased.

KANSAS.

Independence—Commercial National Bank; A. W. Blosier, Cashier in place of A. E. Dwelle; R. B. Moore, Asst. Cashier in place of A. W. Blosier.
Iola—Northrup National Bank; Melvin Fronk, Asst. Cashier in place of C. H. Wheaton.
Kansas City—Wyandotte State Bank; C. H. Pattison, Pres. in place of Porter Sherman.

KENTUCKY.

Covington—Citizens' National Bank; Jos. Feltman, Vice-Pres. in place of Henry Linnemann; B. J. Linnemann, Cashier in place of J. H. Dorsel; no Asst. Cashier in place of B. J. Linnemann.
Horse Cave—First National Bank; no Cashier in place of E. S. Pemberton; C. C. Winston, Asst. Cashier in place of J. H. Yancey.
Owensboro—National Deposit Bank; F. T. Gunther, Vice-Pres., deceased.
Richmond—State Bank and Trust Co.; J. Stone Walker, Pres., resigned.

LOUISIANA.

Abbeville—First National Bank; J. Nelson Greene, Pres. in place of Severin Le Blanc.
New Orleans—Merchants' National Bank; J. M. Sherrouse, Pres. in place of E. S. Woodfin, resigned.—Metropolitan Bank; capital increased to $400,000.

MAINE.

Dexter—Dexter Savings Bank; W. H. Carr, Asst. Treas.
Portland—Maine Savings Bank; Chas. O. Bancroft, Pres.; Leander W. Fobes, Vice-Pres.

MARYLAND.

Baltimore—Maryland National Bank; capital increased to $500,000.—Old Town National Bank; David E. Evans, Vice-Pres. in place of Chas. W. Halter, deceased.
Beverly—Beverly National Bank; Andrew W. Rogers, Pres.
Hopkinton — Hopkinton Savings Bank; W. A. Frail, Pres. in place of Lowell B. Mabry, deceased; J. E. Cronley, Vice-Pres.
North Adams—Adams National Bank; title changed to North Adams National Bank.
Peabody—Warren National Bank; Chas. S. Batchelder, Cashier in place of Frank C. Merrill.

MICHIGAN.

Alpena—Alpena National Bank; no Pres. in place of F. W. Gilchrist.
Coldwater—Southern Michigan National Bank; J. S. Barber, Vice-Pres. in place of C. G. Luce.
Ishpeming—Miners' National Bank; O. G. Aas, Asst. Cashier in place of H. S. Thompson.
Manistee—First National Bank; Geo. A. Dunham, Vice-Pres. in place of James Dempsey.

MINNESOTA.

Minneapolis—Hill, Sons & Co.; absorbed by People's Bank; T. F. Wadsworth, Vice-Pres.—First National Bank; Geo. F. Orde, Cashier in place of C. T. Jaffray.
Ortonville—Citizens' National Bank; H. D. Kenyon, Asst. Cashier.
Stephen—State Bank; W. A. Day, Cashier in place of Geo. E. Sanderson, resigned.
Wells—Wells National Bank; L. N. Olds, Cashier.

MISSISSIPPI.

Aberdeen—First National Bank; Clifton R. Sykes, Pres. in place of Frank P. Jinkins, deceased; T. S. Cunningham, Vice-Pres.
Picayune—Bank of Picayune; H. D. Thomas, Cashier.

MISSOURI.

Braymer—First National Bank; C. W. Wells, Pres. in place of Henry Eichler.
Pattonsburg—Daviess County Bank; O. E. Emery, Asst. Cashier.
Rolla—National Bank of Rolla; no Vice-Pres. in place of L. H. Thompson, deceased.
Wellston—Wellston Bank; S. W. Jurden, Pres. in place of J. Kessler.

MONTANA.

Billings—First National Bank; J. B. Arnold, Cashier.

NEBRASKA.

Beatrice—First National Bank; Wm. C. Black, Pres. in place of C. S. Black.
Broken Bow — Commercial Bank; W. A. George, Pres. in place of F. M. Rublee.
Pilger—Farmers' National Bank; no Asst. Cashier in place of J. Doty.
Scribner—Scribner State Bank; Fred Volpp, Pres. in place of John Barker.
Wahoo—First National Bank; Fred R. Clark, Cashier, deceased.

NEW HAMPSHIRE.

Berlin—City National Bank; F. C. Hannah, Cashier in place of James S. Phipps; no Asst. Cashier in place of F. C. Hannah.

NEW JERSEY.

Burlington — Mechanics' National Bank; Nathan Haines, Pres. in place

of J. Howard Pugh, deceased; I. Snowden Haines, Cashier in place of Nathan Haines.—Burlington City Loan and Trust Co.; Henry J. Irick, Pres. in place of J. Howard Pugh, deceased.

South River—First National Bank; Edward Whitehead, Vice-Pres.

NEW YORK.

Albany—First National Bank; Frederick A. Mead, Pres. in place of G. A. Van Allen.

Allegany—First National Bank; John Ryan, Asst. Cashier in place of Wallace Windus.

Brooklyn—Franklin Trust Co.; Crowell Hadden, Jr., Secretary, deceased.

Flushing—Queens County Savings Bank; Geo. Pople, Pres., deceased.

Franklinville—Union National Bank; capital reduced to $75,000.

Friendship—Citizens' National Bank; Mortimer W. Potter, Pres. in place of S. M. Norton, deceased; Chas. J. Rice, Cashier in place of Mortimer W. Potter; Harry L. Blossom, Asst. Cashier in place of Chas. J. Rice.

Kingston—Kingston Savings Bank; James A. Betts, Pres. in place of Luke Noone; Myron Teller and John E. Kraft, Vice-Pres.

New York City—Fourteenth Street Bank; capital increased to $500,000. —Irving National Bank; Eugene Van Zandt, Asst. Cashier.—Phenix National Bank; F. E. Marshall, Pres. in place of Duncan D. Parmly; August Belmont and Daniel S. Lamont, Vice-Pres. — Lockwood, Hurd & Co.; succeeded by H. B. Lockwood & Co.—Bankers' Trust Co.; H. W. Donovan, Asst. Treas.—Central Trust Co.; James N. Wallace, Pres. in place of Frederic P. Olcott, resigned.—City Trust Co., Trust Company of America and North American Trust Co.; consolidated under title of Trust Company of America.—Century Bank; capital increased to $200,000. — Strong, Sturgis & Co.; William Everard Strong, deceased.—Windsor Trust Co.; Chas. H. Van Brunt, Pres., deceased.

Oswego—Oswego City Savings Bank; Jno. H. McCollom, Pres. in place of Byron DeWitt.

Rochester — German-American Bank; Frederic P. Allen, Cashier, deceased.

Sag Harbor—Peconic Bank; Francis H. Palmer, Cashier, an embezzler.

NORTH DAKOTA.

Carpio—First National Bank; S. J. Rasmussen, Pres. in place of L. M. Due; Oscar Herum, Cashier in place of Ed. Christenson.

Hillsboro—Hillsboro National Bank; Ole Arnegard, Vice-Pres. in place of Lewis Larson.

Page—First National Bank; W. J. Morrish, Vice-Pres. in place of Geo. Cook; W. J. Lorshbough, Cashier in place of W. J. Morrish; no Asst. Cashier in place of O. A. Pearce.

Wahpeton—Citizens' National Bank; no Vice-Pres. in place of F. H. Wellcome.

OHIO.

Chillicothe—First National Bank; no Vice-Pres. in place of James C. Quinn, deceased.

Cleveland—Central National Bank; capital increased to $1,000,000.—First National Bank; John Sherwin, Pres. in place of James Barnett; A. B. Marshall, Second Vice-Pres. in place of F. M. Osborne; F. J. Woodworth, Third Vice-Pres.; C. E. Farnsworth, Cashier in place of J. R. Geary; J. R. Kraus, Geo. N. Sherwin, H. R. Sanborn and B. A. Bruce, Asst. Cashiers.

Covington—Citizens' National Bank; Daniel E. Faul, Cashier in place of J. T. Bartmess, deceased.

London—Madison National Bank; Chas. Cheseldine, Vice-Pres. in place of S. W. Durflinger.

Middletown—First National Bank; H. V. Kemp, Cashier in place of F. A. Jones.—Merchants' National Bank; capital reduced to $100,000.

Milford Center—Milford Center Bank; W. B. Hopkins, no longer Cashier.

Mt. Sterling—First National Bank; Wm. Heath, Pres. in place of John G. Loofbourrow; R. H. Schryver, Vice-Pres. in place of Wm. Heath; J. R. Loofbourrow, Cashier in place of L. G. Loofbourrow, deceased; no Asst. Cashier in place of J. R. Loofbourrow.

Norwood—Norwood Savings Bank & Trust Co.; J. C. Cadwallader, Vice-Pres. in place of Geo. E. Mills.

Toledo—Holcomb National Bank; Geo. H. Beckwith, Vice-Pres.; G. M. Ransom, Asst. Cashier.

Warren—Western Reserve National Bank; Albert Wheeler, Pres., deceased.

Washington C. H.—Midland National Bank; S. W. Cissna, Pres.; M. S. Daugherty, Cashier in place of S. W. Cissna.

OKLAHOMA.

Cherokee—Bank of Cherokee; Claude M. Davis, Cashier.

Enid—First National Bank; Jno. P. Cook, Cashier in place of C. M. Lewis; A. E. Larson, Asst. Cashier in place of W. R. Haskard.

Lone Wolf—Orient State Bank; F. E. Dunlap, Pres.; N. E. Medlock, Vice-Pres.

Okeene—Farmers' and Merchants' Bank; H. S. Converse, Cashier, deceased.

Ringwood—Bank of Ringwood; A. P. Keith, Pres.; Jerome Harrington, Vice-Pres.; C. W. R. Tribber, Cashier; Carl Smith, Asst. Cashier.

Stillwater—National Bank of Commerce; no Vice-Pres. in place of S. D. Houston; M. F. Edwards, Cashier in place of C. A. Houston; J. E. Munhall, Asst. Cashier in place of V. D. Houston.

PENNSYLVANIA.

Clearfield—County National Bank; H. B. Powell, Pres. in place of T. H. Forcey; J. L. Gilliland, Cashier in place of H. B. Powell.

Glen Campbell—First National Bank; John W. Clark, Pres., deceased.

Honeybrook—First National Bank; A. T. Heckert, Cashier in place of John E. Finger.

Jonestown—Jonestown Bank; T. H. Capp, Pres. in place of W. E. Brunner, deceased.

McKeesport—First National Bank; capital increased to $300,000.

New Freedom—First National Bank; W. H. Freed, Cashier in place of James E. Green, Jr.

Philadelphia — Southwark National Bank; W. W. Foulkrod, Jr., Cashier in place of Clarence H. Speel.—City Trust, S. D. and Surety Co.; J. Hampton Moore, Pres. in place of Louis Wagner.
Pittsburg — First National Bank; F. H. Skelding, Pres. in place of Charles E. Speer, deceased; F. H. Richard, Cashier in place of F. H. Skelding.
Sheffield—Sheffield National Bank; R. T. Buzard, Vice-Pres. in place of F. W. Simmons.
Stoystown—First National Bank; Howard L. McVicker, Asst. Cashier.

RHODE ISLAND.

Newport—Union National Bank; Wm. H. Hammett, Pres. in place of John H. Crosby, deceased; G. Norman Weaver, Vice-Pres. in place of Wm. H. Hammett.

SOUTH CAROLINA.

Summerton—Bank of Summerton; capital increased to $25,000.

SOUTH DAKOTA.

Wessington Springs—First National Bank; A. R. McConnell, Cashier in place of E. B. Maris; Cora Dewey, Asst. Cashier in place of L. H. McKeel.
White—First National Bank; J. C. Allison, Pres. in place of W. H. White, deceased; Ada E. White, Vice-Pres. in place of J. M. Farrell.

TENNESSEE.

Chattanooga—First National Bank and Chattanooga National Bank; reported consolidated.
Huntingdon—Bank of Huntingdon; Neill Wright, Cashier in place of J. McN. Wright, resigned; E. Mc. Hawkins, Asst. Cashier.

TEXAS.

Bartlett—First National Bank; capital increased to $35,000.
Clarksville — Red River National Bank; L. C. Stiles, Pres. in place of M. L. Sims, deceased; B. A. Dinwiddie, Vice-Pres. in place of L. C. Stiles.
Crandall—First National Bank; W. D. Hammack, Vice-Pres. in place of H. H. Kelly.
Hondo—First National Bank; J. M. Finger, Asst. Cashier.
Jasper—First National Bank; Jno. H. Seale, Cashier in place of E. H. Peffley.
Mount Pleasant — First National Bank; no President in place of C. C. Carr, deceased.
Palestine—Royall National Bank; John R. Hearne, Pres. in place of N. R. Royall, deceased.—Robinson Bros.; W. B. Robinson, deceased.
San Marcos—Glover National Bank; title changed to Wood National Bank.
Sulphur Springs—First National Bank; Howard Templeton, Vice-Pres. in place of E. E. Tomlinson, deceased; no Second Vice-Pres. in place of Howard Templeton.

VIRGINIA.

Richmond — Merchants' National Bank; Andrew Mooreland, Asst. Cashier.
Roanoke—National Exchange Bank; J. B. Fishburn; Pres. in place of T. T. Fishburn; T. T. Fishburn, First Vice-Pres. in place of J. B. Fishburn; Edward L. Stone, Second Vice-Pres. in place of J. B. Andrews; Lucian H. Cocke, Third Vice-Pres.; E. W. Tinsley, Acting Cashier in place of J. B. Fishburn; N. W. Phelps, Asst. Cashier in place of E. W. Tinsley.

WASHINGTON.

Ritzville—First National Bank; L. E. Johnson, Cashier in place of U. K. Loose.
Sunnyside—Bank of Sunnyside; L. E. Johnson, Cashier, resigned.
Seattle—Washington National Bank; Ralph S. Stacy, Cashier in place of R. S. Walker; R. S. Walker, Asst. Cashier.

WEST VIRGINIA.

Monongah—First National Bank; Herford Gray, Cashier in place of A. S. Holbert.
Philippi—First National Bank; A. Thompson, Vice-Pres. in place of Alston G. Dayton.
Webster Springs—Webster County Bank; D. A. Fawcett, Cashier, resigned.
Wellsburg — Wellsburg National Bank; John C. Palmer, Jr., Pres. in place of John C. Palmer, deceased; T. W. Carmichael, Cashier in place of Z. Jacob, deceased.

WISCONSIN.

Milwaukee—First National Bank; Fred Vogel, Jr.; J. H. Van Dyke, Jr.; First Vice-Pres.; Wm. Bigelow, Vice-Pres.; Frank J. Kipp, Cashier; Thomas E. Camp, Asst. Cashier.—Marine National Bank; E. H. Williams, Asst. Cashier.
River Falls—First National Bank; Geo. Th. Smith, Pres. in place of F. J. Carr; J. W. Allard, Vice-Pres. in place of H. L. North; W. G. Spence, Cashier in place of P. M. Reagan; H. M. Elerston, Asst. Cashier in place of H. N. Pratt.

WYOMING.

Cody—First National Bank; R. C. Hargraves, Vice-Pres. in place of L. H. Brooks; H. R. Weston, Cashier in place of I. O. Middaugh; C. F. Hensley, Asst. Cashier.

MEXICO.

Mexico City—Banco de Londres y Mexico; F. Yarya, Mgr. in place of James Walker, resigned; G. Hopfner, Asst. Mgr.

CANADA.

ONTARIO.

Goderich—Canadian Bank of Commerce; E. Condry, Mgr.
Simcoe—Canadian Bank of Commerce; C. J. King, Manager in place of E. Condry.
Toronto—Bank of Toronto; W. H. Beatty, President in place of George Gooderham, deceased.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ARKANSAS.

Greenwood—First National Bank; in voluntary liquidation May 20.

CALIFORNIA.

Oakdale—Bank of Oakdale.

FLORIDA.

Starke—Commercial Bank.

ILLINOIS.

Chicago—Holzman & Co.

INDIANA.

Arlington—Arlington Bank.

LOUISIANA.

Welsh—Welsh National Bank; in voluntary liquidation April 17; absorbed by First National Bank.

MASSACHUSETTS.

Boston—Burnett, Cummings & Co.—Monument National Bank: in voluntary liquidation; absorbed by Bunker Hill National Bank.

MINNESOTA.

Ivanhoe—Ivanhoe National Bank; in voluntary liquidation April 25.

MISSOURI.

Sugar Creek—First International Bank.
Waverly—Middleton Bank.

NEBRASKA.

Ames—First Bank.

NEW YORK.

Brooklyn—Bank of the Commonwealth.
Cornwall—First National Bank; in hands of Receiver May 19.
New York City—Merchants' Trust Co.—Haight & Freese Co.—A. C. Wilcox & Co.; assigned May 12; branches throughout the State also closed.—Maiden Lane National Bank; in voluntary liquidation April 27; converted into Metropolitan Bank.
Ovid—State Bank.

OHIO.

Barberton—First National Bank.
Canton—Canton State Bank.
Cincinnati—Holzman & Co.
Cleveland — Euclid-Park National Bank; in voluntary liquidation; consolidated with First National Bank.
Mineral City—People's Deposit Bank.

OKLAHOMA.

Lexington—First National Bank.

PENNSYLVANIA.

Cambridge Springs—J. L. & A. Kelly.

PHILIPPINE ISLANDS.

Manila—American Bank.

THE FIVE PER CENT. REDEMPTION FUND.

Editor Bankers' Magazine: NEW YORK, May 25, 1905.

SIR: In the report by the Comptroller of Currency of the condition of 5,587 National banks as of March 14, 1905, appears an item of $21,460,689.87 to the credit of the five per cent. redemption fund.

For a system of circulation based on assets, a five per cent. redemption fund has been found to be sufficient, but in our system where the basis is United States Government bonds selling at a high premium, and where the profits to a bank taking out circulation are very meagre, a five per cent. fund appears to be unnecessary.

The Government bonds behind the National bank notes are an ample protection to the note holder, and a bank that is now called upon to replenish its redemption fund would deposit in the Treasury, when requested, the amount called for as readily as if there were no such fund.

Could not most of this $21,500,000 be returned with safety to active circulation?

I would appreciate your opinion on this subject.

Very truly yours,

A. S. COX.

A reply to Mr. Cox's letter will be found in the editorial department of this issue.

CONVENTION OF THE AMERICAN BANKERS' ASSOCIATION.

Editor Bankers' Magazine: NEW YORK, May 29, 1905.

SIR: The Thirty-first Annual Convention of the American Bankers' Association will be held at Washington, D. C., October 25, 26 and 27, 1905. The Convention of the Trust Company and Savings Bank Sections will be held on October 24. Yours respectfully,

JAS. R. BRANCH, *Secretary*.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, June 3, 1905.

A SERIES OF DECLINES IN THE STOCK MARKET last month carried prices generally to the lowest level reached during the year. There was no general slaughter of values, but prices receded without any pronounced selling movement. While the sales of stock exceeded 20,000,000 shares, the aggregate was the smallest recorded since last September. Bond sales amounted to $70,000,000, of which twenty per cent. were in Government bonds, the transactions in Japanese bonds particularly late in the month going far to swell this total. Compared with May in the previous three years the transactions last month make a very respectable showing.

But the complaint is universal in Wall Street that the public is not buying securities. On the other hand, the large financial interests that in the past have been considered active factors in directing if not stimulating speculations appear also to have held aloof. A reason for it may perhaps be found in the public disclosures which are being made regarding the relations of large financial institutions to Wall Street operations, and also the methods of prominent financiers in connection with the management of such institutions.

The internal dissensions in the management of the Equitable Life Assurance Society have brought to public notice details of methods and transactions which must have a disturbing effect upon public confidence. The disclosure that in the management of so great and so wealthy a corporation there were things done and permitted to be done, which men connected with the management themselves now denounce, must cause distrust, even apprehension. And when not in one company alone, but in other companies, it is frankly confessed that the line between what is and what is not legal was so closely approached, that it became necessary or advisable to "put back" money profits which officials had made but were in doubt about being entitled to retain, it is not inexplicable that the public takes a conservative view about investing in securities of large corporations.

But there is still another phase of the matter, and there are many who believe that it explains the absence from Wall Street at present of the big operators who have been in the habit of directing speculative affairs. When innumerable millions of dollars of many belonging to banks, trust companies and life insurance companies were available for the masters of finance, it was easy to make an active stock market, and to advance prices until they became attractive to the outside public, for it is a truism that the outside speculator dearly loves to buy when prices are high.

But it may well be imagined that institutions holding enormous amounts of trust funds are less ready to allow the use of such funds for purposes once considered perfectly legitimate, but now looked upon with less favor than they once were. For the time being at least promoters of big Wall Street operations and gigantic underwriting schemes will perhaps have to depend upon their individual resources.

While Wall Street of late has reflected none of the prosperity that generally prevails, there is at present no evidence of any powerful influence at work to force prices downward. In fact, it is generally believed that the future for values is brighter than has been the past. Still, there have been happenings and there are conditions which naturally enough cause a sentiment of doubt. One event was taken as indicative of lack of confidence on the part of investors. When the new issue of $100,000,000 3½ per cent. convertible bonds of the Pennsylvania Railroad were offered for subscription, only $10,000,000 were taken by investors, and the underwriting syndicate

which had made itself responsible for the entire issue, found itself with $90,000,000 of the securities on its hands.

Again, remarks made by President Roosevelt and by Secretary Taft in public addresses disclosed a determination on the part of the Administration to encourage legislation intended to transfer from the railroads to the Government the power of making rates. Such a policy adhered to is bound to excite apprehension on the part of owners of railroad property and to discourage investment in railroad securities.

The reaction in the iron trade last month also was an unfavorable influence, although its importance was greatly exaggerated. On May 1, for the first time since last August, an increase was reported in the quantity of furnace stocks of iron on hand, but the increase was only about 17,000 tons. The amount reported on hand was 336,649 tons, as compared with 319,257 tons on April 1. Yet with that exception the total is the smallest reported at any time since August 1, 1903. On May 1 last year there were 444,059 tons, and there was an increase in the succeeding three months to 670,340 tons. The weekly capacity of furnaces in blast increased in April 11,767 tons, aggregating on May 1 451,331 tons, a maximum record. It is probable that the rate of production will fall off for a while, but as the output in March and April was at the rate of about 23,400,000 tons a year, there might be a material reduction and still the total for the year reach extraordinary figures. With the monthly production reaching 2,000,000 tons, the increase in stocks, small as it was, may be considered rather the result of increased production than of diminished consumption. Still, there has been some lessening of demand, an incident not peculiar at this season of the year.

Some apprehension has been excited by the dissolution of the steel pool, but authorities on the iron industry express the opinion that there will be no general or extensive reduction in prices.

The crop situation is now and for some time to come will be a matter of much interest. The Government crop report issued on May 10, based on returns up to May 1, made a very favorable showing for winter wheat, the average condition being given as 92.5 per cent., as compared with 91.6 per cent. on April 1 and 76.5 per cent. on May 1, 1904. The acreage on May 1 was 29,723,000, shows that 1,432,000 acres had been abandoned since April 1. Upon the basis of the Government figures, without reference to future possibilities, a yield of 460,706,000 bushels of winter wheat this year is suggested. This would exceed the yield of all previous years and would be 128,000,000 bushels more than last year's yield. The following table shows the acreage and estimated yield of winter wheat this year with comparison with actual figures in previous years, also the condition of the crop at different dates:

YEAR.	Condition.	Acreage.	Crop.	CONDITION.			
				April 1.	May 1.	June 1.	July 1.
			Bushels.				
1905 *	92.5	29,723,000	460,706,000	91.6	92.5	....	....
1904	76.5	26,865,855	332,935,348	76.5	76.5	77.7	78.7
1903	97.3	32,510,000	399,867,250	97.3	92.6	82.2	78.8
1902	78.7	28,581,426	411,788,666	78.7	76.4	76.1	77.0
1901	91.7	21,145,951	318,785,000	91.7	74.1	87.8	88.3
1900	82.1	25,605,714	330,890,712	82.1	88.9	82.7	80.8
1899	77.9	25,820,737	296,679,586	77.9	76.2	67.3	65.6
1898	86.7	25,736,989	379,813,291	86.7	86.5	90.8	85.7
1897	81.4	24,232,442	332,701,105	81.4	80.2	78.5	81.2
1896	77.1	22,612,686	264,339,099	77.1	82.7	77.9	74.6
1895	81.4	22,477,063	257,709,377	81.4	82.9	71.1	65.8
1894	86.7	23,306,500	326,398,840	86.7	81.4	83.2	83.9
1893	77.4	22,868,539	275,480,000	77.4	75.3	75.5	77.7
1892	81.2	25,989,070	359,191,000	81.2	84.0	88.3	86.9
1891	96.9	26,581,284	392,405,000	96.9	87.9	96.6	96.2
1890	81.0	23,520,104	255,374,000	81.0	80.0	78.1	76.2

* 1905 crop estimated.

The showing is extremely favorable, but since May 1 there have been reports of bad weather which may moderate the estimates somewhat. There has nothing yet occurred, however, to injure this year's crop materially. As

regards wheat, the outlook is for good prices even with a bountiful crop. Exports of wheat have fallen to a very low point, but it is anticipated that the movement in the coming year will be very much increased, if the country has the wheat to spare.

The cotton crop has also been an object of especial interest in the past month. Strenuous efforts have been made to induce planters to reduce their area of cotton growing in order to strengthen the price of that staple and there have been reports that the reduction was at least twenty-five per cent. The Department of Agriculture, on returns received up to May 25, however, estimates the acreage planted to cotton at only 11.4 per cent. less than last year's, while the condition is given at 77.2 per cent. compared with a year ago. These estimates approximate very closely those of private and impartial investigation. There is the suggestion in these figures of a cotton crop this year of 11,000,000 bales, or a yield equal to the highest record excepting only the crop of last year.

While cotton prices are lower than they were a year ago, the value of exports of cotton as well as the quantity has increased. In April 595,064 bales were exported, as compared with 309,290 bales in April last year. The value of the cotton exported was $23,928,794, as against $22,706,511 in 1904. While, therefore, the average export price of cotton in April this year was only 7⅞ cents per pound, as against 14½ cents last year, the values of cotton exports for the month actually increased more than $1,200,000.

The accruing deficit in the Government revenues is now commanding general attention and deservedly so. The deficit in May amounted to nearly $3,000,000, bringing the total for the eleven months of the fiscal year to about $36,700,000. It is probable that the current month will reduce this deficit to about $26,000,000, but in the following month whatever surplus may be shown in June is likely to be offset by another deficit, the expenditures in July usually being in excess of those of other months while June disbursements are below the normal. During seven months of the eleven that have elapsed there have been deficits reported, while in the other four months the surplus in no instance has been large.

The unfavorable showing the United States Treasury has been making has been progressive and has been developing for some time. In the fiscal year 1902 there was a surplus of $91,000,000, in 1903 of $54,000,000 and in 1904 of about $13,000,000. In the last mentioned year more than $54,000,000 was disbursed for the Panama Canal and loaned to the St. Louis Exposition, and were this amount deducted there would have been a deficit of $41,000,000. This year the deficit will be approximately $26,000,000. A comparison of the receipts and disbursements in the full year ended June 30, 1902, with those of the eleven months ended May 31, 1905, will indicate the source of the present deficit:

RECEIPTS.	*Year ended June 30, 1902.*	*11 months ended May 31, 1905.*	*Change.*
Customs	$254,444,708	$239,495,876	Dec., $14,948,832
Internal revenue	271,880,122	212,661,656	" 59,218,466
Miscellaneous	36,153,403	43,315,550	Inc., 7,162,147
Total	$562,478,233	$495,473,082	Dec., $67,005,151
EXPENDITURES.			
Civil and miscellaneous	$113,469,324	$137,860,699	Inc., $24,391,375
War	112,272,216	115,673,932	" 3,401,716
Navy	67,803,128	108,853,355	" 41,050,227
Indians	10,049,585	13,401,664	" 3,352,079
Pensions	138,488,559	132,115,232	Dec., 6,373,327
Interest	29,108,045	24,217,880	" 4,890,165
Total	$471,190,857	$532,122,762	Inc., $60,931,905
	Surplus, 91,287,376	Deficit, 36,649,680	Dec., 127,937,056

Making due allowance for the final month of the year, the receipts of the Government have not fallen off to any great extent notwithstanding the removal of the war tax which in 1902 swelled the internal revenue. The total revenue for the year will not be $25,000,000 less than in 1902. Expenditures, however, have increased very considerably, the largest increase being in naval disbursements, which will be about $50,000,000 more than they were three years ago. The total expenses in eleven months were nearly $61,000,000

more than in 1901-2 for twelve months, while for the full year 1903-4 they will approximately increase $100,000,000.

War and navy expenditures are now aggregating $240,000,000 a year, as against $75,000,000 a year just prior to the war with Spain; but civil and miscellaneous expenses have also increased from about $100,000,000 to nearly $150,000,000 a year. The situation calls for a readjustment of the Government's income account, and as there is no prospect of its taking the shape of reduced expenditures, Congress will have to consider expedients for increasing revenues. Tariff legislation has already been proposed and will probably occupy the attention of Congress at its next session, by which time the need of increased revenue will be even more pressing than it is at present.

THE MONEY MARKET.—There was an easy money market in May until the last day of the month when call money touched 4 per cent. but fell later to 2½ per cent. The return to the Government of over $14,000,000 by depositary banks had no apparent influence on the market. At the close of the month call money ruled at 2¼ @ 4 per cent., averaging about 2½ per cent. Banks and trust companies loaned at 2¼ per cent. as the minimum. Time money on Stock Exchange collateral is quoted at 2¼ @ 3 per cent. for 60 to 90 days, 3¼ per cent. for 4 to 5 months, 3½ per cent. for 6 months and 3¾ per cent. for 7 to 8 months on good mixed collateral. For commercial paper the rates are 3¾ @ 4 per cent. for 60 to 90 days' endorsed bills receivable, 3¾ @ 4 per cent. for first-class 4 to 6 months' single names, and 4½ @ 5 per cent. for good paper having the same length of time to run.

MONEY RATES IN NEW YORK CITY.

	Jan 1.	*Feb. 1.*	*Mar. 1.*	*Apr. 1.*	*May. 1.*	*June 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances........	2½ - 5	1¾–2	2¼–3	3½–4½	2¾–3¼	2¼–4
Call loans, banks and trust companies.	2½–	2 –	2¼–	3½–	3 –	2¼–
Brokers' loans on collateral, 30 to 60 days.	3 - 3¼	2¾–	3 – ¼	3¼– ½	3¼–	2¾–3
Brokers' loans on collateral, 90 days to 4 months.	3¼– ½	3 –3¼	3¼–	3½– ¾	3¼– ½	3 –3¼
Brokers' loans on collateral, 5 to 7 months.	3¼– ½	3¼– ½	3½– ¾	3½– ¾	3½– ¾	3¼– ½
Commercial paper, endorsed bills receivable, 60 to 90 days.	4 –4½	3½–4	3½–4	3¾-4¼	3¾–4	3¾–4
Commercial paper prime single names, 4 to 6 months.	4 –4½	3¾–4¼	3¾–4¼	4 –4½	4 –4½	3¾–4
Commercial paper, good single names, 4 to 6 months.	4½- 5	4½–	4½–5	4½–5	4½–5	4½–5

NEW YORK CITY BANKS.—There were some extraordinary changes shown in the weekly statement of the New York Clearing-House banks last month. In the first week of May deposits decreased nearly $3,000,000; in the following two weeks they increased $21,000,000, and in the two weeks ending June 3 they fell off nearly $29,000,000. Compared with April 29 there is a net decrease of more than $10,000,000. Loans followed a similar course, decreasing nearly $6,000,000 to May 6, increasing $28,000,000 to May 20 and decreasing again $19,000,000 to June 3, making a net increase since April 29 of $3,000,000. Specie reserves declined continuously since May 6, the loss in the last four weeks being nearly $16,000,000. Legal tenders increased about $1,000,000 in the same time. The surplus reserve has fallen to about $6,000,000, the lowest touched this year excepting on March 18.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
May 6...	$1,092,121,900	$220,303,700	$84,400,200	$1,143,897,900	$18,729,425	$44,537,000	$2,193,254,100
" 13...	1,099,716,900	219,888,300	84,379,200	1,150,219,700	16,712,575	44,698,700	1,628,894,300
" 20...	1,120,426,800	215,174,200	84,333,700	1,165,151,700	8,219,975	45,308,300	1,782,317,800
" 27...	1,111,003,400	214,622,800	85,625,300	1,155,129,200	11,465,800	45,835,700	1,821,694,800
June 3...	1,101,283,100	204,546,500	85,623,200	1,136,477,700	6,650,275	46,273,000	1,553,892,900

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	*1903.*		*1904.*		*1905.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$873,115,000	$10,193,850	$866,178,900	$9,541,850	$1,104,049,100	$13,683,425
February......	931,778,900	27,880,775	1,023,943,800	25,129,050	1,189,828,600	26,979,550
March.........	956,206,400	5,951,900	1,027,920,400	32,150,200	1,179,824,900	14,646,075
April..........	894,260,000	6,280,900	1,069,369,400	27,755,050	1,138,661,300	8,664,575
May...........	905,760,200	11,181,850	1,114,367,800	33,144,250	1,146,528,600	16,665,250
June..........	913,081,800	9,645,150	1,098,953,500	29,692,325	1,101,283,100	6,050,275
July	903,719,800	12,923,850	1,152,988,800	36,105,300	....	....
August........	908,864,500	24,060,075	1,204,965,600	55,989,600	....	....
September....	920,123,900	20,677,925	1,207,302,800	57,375,400	....	....
October.......	897,214,400	13,937,500	1,212,977,100	19,913 425	....	....
November....	885,616,600	10,274,150	1,204,434,200	16,793,650	....	....
December.....	841,552,000	6,125,200	1,127,878,100	8,539,075	....	....

Deposits reached the highest amount, $1,224,206,600, on September 17, 1904; loans, $1,145,-989,200 on October 8, 1904, and the surplus reserve $111,623,000 on Feb. 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

DATES.	*Loans and Investments.*	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus Reserve.*
April 29....	$118,113,800	$133,408,400	$5,123,800	$7,184,000	$13,559,600	$7,076,300	* $408,400
May 6....	122,951,100	129,332,300	5,822,800	6,851,100	15,418,400	7,418,200	192,425
" 13....	123,012,300	140,094,000	5,797,900	6,676,600	16,505,300	6,939,500	895,800
" 20....	121,815,800	137,766,100	5,709,100	6,536,900	14,754,700	7,421,900	* 18,925
" 27....	121,883,800	139,248,700	5,713,500	6,618,900	13,975,100	9,279,500	774,825

*** Deficit.**

BOSTON BANKS.

DATES.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
April 29........	$195,204,000	$231,612,000	$19,576,000	$6,240,000	$7,863,000	$166,291,900
May 6........	196,795,000	232,931,000	18,921,000	5,973,000	7,903,000	187,750,000
" 13........	193,996,000	229,978,000	18,931,000	6,275,000	7,917,000	148,907,800
" 20........	191,940,000	225,368,000	18,516,000	6,575,000	7,928,000	138,974,200
" 27........	191,864,000	222,715,000	18,144,000	6,776,000	7,840,000	131,042,000

PHILADELPHIA BANKS.

DATES.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Apr. 29..................	$216,344,000	$254,480,000	$62,518,000	$12,[illegible]01,000	$153,450,000
May 6..................	216,812,000	258,556,000	65,456,000	12,406,000	162,367,200
" 13..................	217,629,000	255,836,000	63,828,000	12,406,000	124,997,300
" 20..................	220,770,000	266,546,000	69,207,000	12,458,000	141,740,000
" 27..................	221,722,000	265,235,000	67,962,000	12,615,000	135,567,200

MONEY RATES ABROAD.—In the principal money markets abroad there was a condition of ease and rates for money have generally declined. The Bank of England rate of discount is unchanged at 2½ per cent. Discounts of 60 to 90 day bills in London at the close of the month were 2⅛ per cent., against 2⅛ @ 2¼ per cent. a month ago. The open market rate at Paris was 1¼ @ 1⅜ per cent., against 1¾ @ 1⅞ per cent. a month ago, and at Berlin and Frankfort 2⅜ per cent., against 2¼ @ 2⅜ per cent. a month ago.

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Mar. 2, 1905.	Mar. 30, 1905.	Apr. 30, 1905.	May 31, 1905.
Circulation (exc. b'k post bills)	£27,593,000	£28,595,000	£28,643,000	£29,500,000
Public deposits	15,190,000	18,274,000	10,650,000	11,608,000
Other deposits	41,590,000	42,559,000	39,738,000	41,613,000
Government securities	16,590,000	15,589,000	15,495,000	15,750,000
Other securities	29,829,000	34,418,000	27,048,000	28,417,000
Reserve of notes and coin	29,853,000	28,187,000	26,629,000	24,897,000
Coin and bullion	38,994,000	39,753,914	36,822,232	37,888,406
Reserve to liabilities	52½%	49⅛%	50¾%	50 82%
Bank rate of discount	3%	2½%	2½%	2½%
Price of Consols (2¾ per cents.)	91 1/16	91 1/16	90¼	91⅛
Price of silver per ounce	27 11/16d.	26 1/16d.	26⅝d.	26 13/16d.

FOREIGN BANKS.—The Bank of England increased its gold holdings $10,000,000 last month, the Bank of France $14,500,000, and the Bank of Germany $10,000,000. Russia lost about $2,000,000. All the leading banks are better supplied with gold than they were a year ago.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	April 1, 1905.		May 1, 1905.		June 1, 1905.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£38,994,989	....	£35,822,242	....	£37,886,406	....
France	112,470,302	£44,083,193	111,746,715	£43,943,740	114,645,558	£44,398,482
Germany	41,113,000	13,705,000	40,078,000	13,359,000	42,119,000	14,040,000
Russia	102,030,000	6,146,000	105,014,000	6,868,000	104,665,000	6,491,000
Austria-Hungary	48,254,000	12,828,000	47,992,000	13,027,000	48,035,000	13,188,000
Spain	14,941,000	20,530,000	14,807,000	21,041,000	14,800,000	22,001,000
Italy	22,264,000	3,250,800	22,884,000	3,527,400	22,405,000	3,614,800
Netherlands	6,003,300	6,291,800	6,079,200	6,244,100	6,754,800	6,298,300
Nat. Belgium	3,184,667	1,592,333	3,195,333	1,597,667	3,152,000	1,576,000
Totals	£389,255,258	£108,423,926	£387,618,490	£109,607,907	£394,462,764	£111,557,582

FOREIGN EXCHANGE.—Sterling exchange was strong until the last week of the month and advanced quite steadily. At the close of the month rates showed a slight decline, but were higher than they were a month ago.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

WEEK ENDED.	BANKERS' STERLING.		Cable transfers.	Prime commercial, Long.	Documentary Sterling, 60 days.
	60 days.	Sight.			
May 6	4.8450 @ 4.8460	4.8660 @ 4.8665	4.8690 @ 4.8695	4.84¼ @ 4.84⅜	4.83⅛ @ 4.84¾
" 13	4.8460 @ 4.8475	4.8675 @ 4.8680	4.8700 @ 4.8710	4.84⅜ @ 4.84½	4.83⅛ @ 4.84⅞
" 20	4.8500 @ 4.8510	4.8705 @ 4.8710	4.8730 @ 4.8735	4.84⅝ @ 4.84¾	4.83⅞ @ 4.85¼
" 27	4.8510 @ 4.8525	4.8710 @ 4.8715	4.8730 @ 4.8740	4.84¾ @ 4.84⅞	4.84⅛ @ 4.85¼
June 3	4.8509 @ 4.8510	4.8695 @ 4.8700	4.8720 @ 4.8730	4.84¾ @ 4.84⅞	4.84⅛ @ 4.85¼

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	Feb. 1.	March 1.	April 1.	May 1.	June 1.
Sterling Bankers—60 days	4.85⅝— ¾	4.84½—	4.84⅛— ¼	4.84⅛— ⅝	4.85 — ⅛
" " Sight	4.88 —	4.86⅝—	4.85⅞—86	4.86⅛— ⅝	4.87 — ⅛
" " Cables	4.88⅜— ½	4.87 — ⅛	4.86¼— ⅜	4.86¾— ⅞	4.87¼— ⅜
" Commercial long	4.85 — ¼	4.84¼— ⅜	4.83¾— ⅞	4.84 — ¼	4.84½— ¾
" Docu'tary for paym't.	4.84¾— 5⅛	4.83¾— 4¾	4.83 — 4¼	4.83½— 4¼	4.84¼— 5⅛
Paris—Cable transfers	5.14⅜—	5.17½—16⅞	5.17½—16⅞	5.16¼—	5.16⅞— ¼
" Bankers' 60 days	5.17½—16⅞	5.18¾—	5.20 —19⅝	5.18⅛— ¾	5.18⅛—
" Bankers' sight	5.15 1/16—15	5.17½—	5.17½—	5.16¼— ⅞	5.16⅞—
Swiss—Bankers' sight	5.16¼— ¼	5.18⅛—	5.18⅛—	5.17½—	5.16⅞—
Berlin—Bankers' 60 days	94 15/16—95	94 11/16— ¾	94 9/16— ⅝	94 11/16— ⅝	94¾— 13/16
" Bankers' sight	95⅝— 7/16	95 — 1/16	94 15/16—95	95 1/16—95	95¼— 1/16
Belgium—Bankers' sight	5.16¼—	5.18⅛—	5.18⅛—	5.17½—	5.16⅞—17½
Amsterdam—Bankers' sight	40⅜— 7/16	40¼— 5/16	40¼— 3/16	40¼— 5/16	40 5/16— ¼
Kronors—Bankers' sight	26 13/16— 15/16	26 13/16— 15/16	26¾— ⅞	26¾— ⅞	26 13/16— 15/16
Italian lire—sight	5.15 —14⅜	5.17½—16⅞	5.17½—	5.16⅞—17½	5.16⅞— ¼

SILVER.—The price of silver in London advanced quite steadily until it touched 27 5-16d. on May 27th. There was then a reaction and the final price of the month was 26 13-16d., a net advance compared with April 30 of 5/8d.

MONTHLY RANGE OF SILVER IN LONDON—1903, 1904, 1905.

MONTH.	1903.		1904.		1905.		MONTH.	1903.		1904.		1905.	
	High	Low.	High	Low.	High	Low.		High	Low.	High	Low.	High	Low.
January..	22 3/8	21 11/16	27 5/16	25 1/8	28 9/16	27 5/16	July......	25 3/8	24 1/4	27	26 3/8	....	....
February	22 5/16	21 7/8	27 1/8	25 5/8	28 3/8	27 9/16	August ..	26 3/4	25 5/16	27	26 3/16	....	....
March....	22 11/16	22 1/8	26 11/16	25 1/8	28 5/16	27 5/8	Septemb'r	28 7/16	26 9/16	26 7/8	26	....	....
April.....	25 1/16	22 5/8	25 1/8	24 7/16	27 11/16	25 11/16	October..	28 1/2	27 7/16	26 15/16	26 1/2	....	....
May......	25 1/4	24 5/16	25 13/16	25 1/8	26 5/8	25 7/16	Novemb'r	27 5/8	26 1/4	27 5/16	26 3/4	....	....
June.....	24 9/16	24 1/8	26 1/8	25 5/16	27 5/16	26 1/8	Decemb'r	26 1/8	25	....	....	....	....

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	Asked.		Bid.	Asked.
Sovereigns	$4.86	$4.89	Mexican doubloons............	$15.55	$15.65
Bank of England notes........	4.87	4.90	Mexican 20 pesos...............	19.55	19.65
Twenty francs..................	3.87	3.90	Ten guilders.....................	3.95	4.00
Twenty marks..................	4.76	4.80	Mexican dollars................	.45	.48
Twenty-five pesetas...........	4.78	4.82	Peruvian soles..................	.41 1/2	.44 1/2
Spanish doubloons.............	15.55	15.65	Chilian pesos....................	.41 1/2	.44 1/2

Fine gold bars on the first of this month were at par to 1/4 per cent. premium on the Mint value. Bar silver in London, 26 13/16d. per ounce. New York market for large commercial silver bars, 58 3/8 @ 59 3/4c. Fine silver (Government assay), 58 1/2 @ 60 1/4c. The official price was 58 1/4c.

SUPPLY OF MONEY IN THE UNITED STATES.—The stock of money in the country increased in May $15,000,000, of which $8,000,000 was in gold and $7,000,000 in National bank notes. Since January 1 the increase in the supply of money exceeded $30,000,000, all except $7,000,000 being in bank notes.

SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1905.	Apr. 1, 1905.	May 1, 1905.	June 1, 1905.
Gold coin and bullion	$1,345,952,535	$1,338,274,546	$1,343,897,159	$1,352,063,028
Silver dollars................................	567,795,889	567,795,889	567,795,889	568,204,217
Silver bullion................................	1,708,079	536,672	297,523	91,339
Subsidiary silver...........................	112,171,494	113,670,338	114,062,988	113,977,467
United States notes........................	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes........................	464,794,156	475,948,945	481,244,945	488,327,516
Total....................................	$2,839,103,169	$2,842,907,406	$2,853,979,520	$2,869,344,583

MONEY IN CIRCULATION IN THE UNITED STATES.—Of the $15,000,000 increase in stock of money, $6,600,000 went into circulation increasing the per capita to $31.09, which is within .03 cents of being as high as on January 1 last.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1905.	Apr. 1, 1905.	May 1, 1905.	June 1, 1905.
Gold coin..................................	$649,548,528	$644,726,546	$644,423,211	$650,979,108
Silver dollars..............................	80,039,395	73,831,773	73,641,755	73,617,644
Subsidiary silver..........................	102,891,327	99,755,170	100,067,645	100,473,489
Gold certificates..........................	466,739,689	472,316,319	487,142,219	482,910,999
Silver certificates........................	468,017,227	462,430,576	462,846,513	460,462,103
Treasury notes, Act July 14, 1890.........	10,940,054	10,047,776	9,822,134	9,583,291
United States notes.......................	342,287,627	332,064,873	331,672,662	332,284,693
National bank notes.......................	449,157,278	463,819,950	468,390,547	474,359,389
Total....................................	$2,569,621,125	$2,558,992,983	$2,578,006,686	$2,584,670,716
Population of United States............	82,562,000	82,910,000	83,026,000	83,143,000
Circulation per capita...................	$31.12	$30.86	$31.05	$31.09

NATIONAL BANK CIRCULATION.—In May the amount of National bank circulation outstanding was increased $7,082,571, and the bonds deposited to secure circulation were increased more than $8,000,000. The bonds deposited to secure public deposits were reduced $10,000,000 and a large proportion of

them were evidently used as a basis for new circulation. There are still $70,000,000 of bonds securing public deposits available for bank circulation in the event of the deposits being withdrawn. Of these nearly $49,000,000 are of the two per cent. issue. The National banks now hold for circulation and to secure public deposits $492,000,000 out of the total issue of $542,000,00 of two per cents.

National Bank Circulation.

	Feb. 28, 1905.	*Mar. 31, 1905.*	*Apr. 30, 1905.*	*May 31, 1905.*
Total amount outstanding	$469,208,840	$475,948,945	$481,244,945	$488,327,516
Circulation based on U. S. bonds	438,370,084	444,870,179	449,147,766	456,239,096
Circulation secured by lawful money	30,838,756	31,078,766	32,097,179	32,088,420
U. S. bonds to secure circulation:				
Funded loan of 1907, 4 per cent	8,401,200	9,474,300	9,844,040	10,754,050
Four per cents. of 1895	1,835,100	2,300,500	3,085,500	4,091,500
Three per cents. of 1898	2,527,540	2,714,440	2,784,440	2,941,940
Two per cents. of 1900	429,024,300	434,520,650	437,191,800	443,362,800
Total	$441,788,140	$449,009,890	$452,835,790	$461,150,290

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1907, $9,727,900; 5 per cents. of 1894, $100,000; 4 per cents. of 1895, $6,161,200; 3 per cents. of 1898, $6,570,800; 2 per cents. of 1930, $48,655,550; District of Columbia 3.65's, 1924, $1,752,000; State and city bonds, $375,000; Hawaiian Islands bonds, $942,000; Philippine loan, $4,512,000; railroad and other bonds, $3,091,500; a total of $81,887,950.

Money in the United States Treasury.—Nearly $2,000,000 was added to the amount of money in the United States Treasury in May, while certificates outstanding were reduced $7,000,000, making a gain in the net cash of nearly $9,000,000. The Treasury gained about $6,000,000 in gold.

Money in the United States Treasury.

	Jan. 1, 1905.	*Apr. 1, 1905.*	*May 1, 1905.*	*June 1, 1905.*
Gold coin and bullion	$696,404,007	$693,548,000	$699,473,948	$701,968,020
Silver dollars	487,756,494	493,964,116	494,154,184	494,586,573
Silver bullion	1,708,079	536,672	297,523	91,339
Subsidiary silver	9,280,167	13,915,168	13,995,343	13,508,978
United States notes	4,893,389	14,616,148	15,008,854	14,396,323
National bank notes	15,636,878	12,128,995	12,854,398	13,968,127
Total	$1,215,179,014	$1,228,709,094	$1,235,783,700	$1,237,630,260
Certificates and Treasury notes, 1890, outstanding	945,696,970	944,794,671	959,810,866	952,956,393
Net cash in Treasury	$269,482,044	$283,914,423	$275,972,834	$284,673,867

Government Revenues and Disbursements.—The revenues of the Government in May fell below the expenditures $2,960,122, making a deficit for the eleven months of the current fiscal year of $36,649,680. Last year the deficit, exclusive of $54,600,000 paid for the Panama Canal and loaned to the St. Louis Exposition, was only $130,000 in May, while for the eleven months of the year there was a surplus of $1,328,000. Excluding the extraordinary disbursement, there was a surplus for the full year ended June 30, 1904, of nearly $13,000,000 while the present year will show a considerable deficit.

United States Treasury Receipts and Expenditures.

Receipts.

Source.	*May, 1905.*	*Since July 1, 1904.*
Customs	$19,659,390	$239,495,876
Internal revenue	19,960,748	212,661,656
Miscellaneous	4,138,795	43,315,550
Total	$43,758,933	$495,473,082
Excess receipts	*2,960,122	*36,649,680

Expenditures.

Source.	*May, 1905.*	*Since July 1, 1904.*
Civil and mis.	$11,208,353	$137,860,699
War	8,967,765	115,673,932
Navy	9,438,399	108,853,355
Indians	1,120,023	13,401,664
Pensions	13,848,676	132,115,232
Interest	2,135,839	24,217,820
Total	$46,719,055	$532,122,763

* Excess expenditures.

UNITED STATES PUBLIC DEBT.—There was no important change in the total public debt last month except a reduction of about $3,000,000 in silver certificates issued. The aggregate debt exceeds $2,277,000,000 of which $995,000,000 consists of certificates and Treasury notes against which an equal amount of cash is held in the Treasury. The total cash held is about $1,367,000,000 while the demand liabilities amount to nearly $1,086,000,000, leaving the net balance $281,000,000, a decrease for the month of more than $3,000,000. The debt less cash increased $3,100,000 and is again in excess of $1,000,000,000.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1905.	*Apr. 1, 1905.*	*May 1, 1905.*	*June 1, 1905.*
Interest-bearing debt:				
Loan of March 14, 1900, 2 per cent	$542,909,950	$542,909,950	$502,909,950	$542,909,950
Funded loan of 1907, 4 "	156,593,650	156,593,800	156,595,000	156,595,400
Refunding certificates, 4 per cent	28,610	28,520	27,860	27,680
Loan of 1925, 4 per cent	118,489,900	118,489,900	118,489,900	118,489,900
Ten-Twenties of 1898, 3 per cent	77,135,360	77,135,360	77,135,360	77,135,360
Total interest-bearing debt	$895,157,470	$895,157,530	$895,158,070	$895,158,240
Debt on which interest has ceased	1,447,260	1,406,450	1,401,045	1,377,165
Debt bearing no interest:				
Legal tender and old demand notes	346,734,863	346,734,863	346,734,863	346,734,863
National bank note redemption acct.	31,933,951	30,279,435	31,374,742	31,349,852
Fractional currency	6,868,465	6,867,902	6,867,902	6,867,384
Total non-interest bearing debt	$385,537,279	$383,882,200	$384,977,507	$384,952,100
Total interest and non-interest debt.	1,282,142,010	1,280,446,180	1,281,536,622	1,281,487,505
Certificates and notes offset by cash in the Treasury:				
Gold certificates	524,684,969	518,186,969	519,204,969	519,762,969
Silver "	477,102,000	468,314,000	469,349,000	466,150,000
Treasury notes of 1890	11,019,000	10,111,000	9,865,000	9,617,000
Total certificates and notes	$1,012,805,969	$996,611,969	$998,418,969	$995,529,969
Aggregate debt	2,294,947,979	2,277,058,149	2,279,955,591	2,277,017,474
Cash in the Treasury:				
Total cash assets	1,402,124,509	1,379,196,552	1,371,716,257	1,366,975,312
Demand liabilities	1,105,531,820	1,087,374,929	1,087,397,575	1,085,833,934
Balance	$296,592,689	$291,821,623	$284,318,681	$281,131,878
Gold reserve	150,000,000	150,000,000	150,000,000	150,000,000
Net cash balance	146,592,689	141,821,623	134,318,681	131,141,878
Total	$296,592,689	$291,821,623	$284,318,681	$281,141,878
Total debt, less cash in the Treasury	985,549,821	988,624,557	997,217,941	1,000,346,127

UNITED STATES FOREIGN TRADE.—April exports of merchandise aggregated $129,000,000, or $8,000,000 less than in March, but $19,000,000 more than in April last year. Imports of merchandise exceeded $95,600,000, a decrease from March of $15,000,000, but an increase over April, 1904, of $12,000,000. The balance of net exports amounted to $33,722,087, an increase of $7,000,000 over the balance of the same month last year.

EXPORTS AND IMPORTS OF THE UNITED STATES.

MONTH OF APRIL.	MERCHANDISE.			Gold Balance.	Silver Balance.
	Exports.	*Imports.*	*Balance.*		
1900	$118,772,580	$75,510,262	Exp., $43,262,318	Imp., $1,427,233	Exp., $788,235
1901	120,754,190	76,698,131	" 44,056,059	Exp., 2,667,827	" 2,588,933
1902	109,169,873	75,822,268	" 33,347,605	" 979,437	" 1,689,526
1903	109,827,215	87,682,106	" 22,145,109	" 355,845	" 1,083,898
1904	109,880,405	83,521,882	" 26,358,523	" 9,180,288	" 1,617,322
1905	129,358,229	95,636,142	" 33,722,087	Imp., 1,277,183	Imp., 242,259
TEN MONTHS.					
1900	1,172,403,276	717,286,292	Exp., 455,116,984	Imp., 9,179,079	Exp., 17,562,523
1901	1,260,422,817	676,124,805	" 584,298,012	" 23,278,454	" 23,623,357
1902	1,190,157,387	754,516,807	" 435,640,580	" 228,726	" 18,214,429
1903	1,223,989,242	864,684,323	" 359,304,919	" 20,656,890	" 20,045,332
1904	1,277,715,480	829,231,975	" 448,483,505	" 46,828,164	" 16,931,002
1905	1,275,059,368	935,072,990	" 339,986,378	Exp. 39,238,805	" 17,290,941

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of May, and the highest and lowest during the year 1905, by dates, and also, for comparison, the range of prices in 1904:

	Year 1904.		Highest and Lowest in 1905.		May, 1905.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	89¼	64	98⅜—Mar. 9	77⅝—May 22	85⅝	77⅝	81
" preferred	104⅛	87⅝	104¼—Mar. 9	99 —Jan. 25	102⅝	101⅛	102⅝
Baltimore & Ohio	105¼	72⅞	111⅛—Mar. 13	100⅛—Jan. 25	109¼	104¼	108¾
Baltimore & Ohio, pref.	96⅛	87⅝	98 —Feb. 8	95¾—Jan. 12	97⅛	96	96½
Brooklyn Rapid Transit	70⅛	38	71⅝—Apr. 14	56⅞—May 23	68¼	56⅞	62¼
Canadian Pacific	135¾	109½	155¾—Apr. 7	130¾—Jan. 25	150¼	141¼	148⅞
Canada Southern	72	64	72⅞—Jan. 31	67⅛—Jan. 11	70	68¼	69¼
Central of New Jersey	194¾	154½	205½—Feb. 8	190 —May 23	198½	190	198
Ches. & Ohio	51	28¼	60⅛—Mar. 21	45½—May 22	51⅝	45½	49⅝
Chicago & Alton	47¼	33	44⅛—Mar. 15	31 —May 22	35⅜	31	33¼
" preferred	85¼	75	83¾—Apr. 7	77½—May 23	79¾	77½	79¾
Chicago, Great Western	26¼	12⅞	25⅛—Mar. 16	17⅛—May 22	21⅛	17½	19⅛
Chic., Milwaukee & St. Paul	177⅝	137⅛	187⅛—Apr. 17	168⅛—May 4	179⅝	168⅛	174⅞
" preferred	185⅞	178	192½—Apr. 17	182½—Jan. 18	188	183⅛	184¾
Chicago & Northwestern	214½	161⅛	249 —Jan. 31	205 —May 23	233	205	217½
" preferred	237	207	265½—Feb. 1	234 —Jan. 13	250½	250½	250½
Chicago Terminal Transfer	16¼	5¼	19⅛—Feb. 17	7¾—Jan. 5	18⅛	17	17½
" preferred	27¾	11⅛	36⅛—Mar. 22	17⅛—Jan. 4	32½	30	31½
Clev., Cin., Chic. & St. Louis	93⅜	68½	111 —Mar. 21	90 —Jan. 14	100½	93½	96⅝
Col. Fuel & Iron Co.	58⅜	25½	59 —Mar. 24	38 —May 22	47¼	38	42⅞
Colorado Southern	24⅜	13½	30⅛—Apr. 28	22¼—Jan. 20	28	24	28
" 1st preferred	63	48	64½—Feb. 10	52 —May 23	58¼	52	58
" 2d preferred	37½	17⅞	39½—Feb. 3	32½—May 23	35¼	32½	35¾
Consolidated Gas Co.	220	185	214 —Mar. 13	184½—May 15	202	184½	188
Delaware & Hud. Canal Co.	190½	149	196⅜—Apr. 11	178½—May 22	188	178½	182½
Delaware, Lack. & Western	359¾	250½	400 —Mar. 14	335 —Jan. 25	384½	365	384½
Denver & Rio Grande	35⅞	18	36⅛—Mar. 14	27¾—May 24	31½	27⅜	28
" preferred	89	64½	91 —Mar. 15	83¼—May 1	87	83¼	85⅜
Detroit Southern	14¾	1⅛	9⅞—Jan. 24	4⅞—Apr. 25	....	....	....
" preferred	33½	2¾	36⅛—Feb. 1	31⅝—Mar. 4	....	....	....
Duluth So. S. & Atl., pref.	28⅛	9¼	37 —Jan. 21	21 —May 22	27	21	24⅞
Erie	41⅝	21½	48¾—Mar. 11	37½—May 22	43¾	37½	41⅛
" 1st pref.	77	55⅝	83½—Mar. 11	74⅞—May 22	79⅝	74⅞	79
" 2d pref.	58½	33	71⅛—Mar. 3	55⅛—Jan. 3	67½	61	67
Evansville & Terre Haute	83	54	72⅛—Jan. 16	65 —Apr. 7	....	....	....
Express Adams	250	220	250 —Feb. 7	236 —Jan. 9	250	250	250
" American	219	180	246 —Feb. 27	209½—Jan. 4	244½	234	235
" United States	126	100	134 —Feb. 8	120 —Jan. 9	124	122¾	122
" Wells, Fargo	250	200	260 —Feb. 21	235 —Jan. 3	245	245	245
Hocking Valley	94	60	99 —Mar. 11	86⅝—Jan. 18	90¼	87	88
" preferred	95	77	96⅞—Mar. 13	90 —Jan. 18	92¾	91¾	91¾
Illinois Central	159	125¾	170 —Apr. 15	152¾—Jan. 25	162¼	155	161⅝
Iowa Central	33	14	32 —Feb. 3	24 —May 24	28	24	25¾
" preferred	59¾	32	58⅜—Feb. 3	50 —May 10	50	50	50
Kansas City Southern	31⅞	16½	34 —Feb. 14	22⅛—May 22	29	22⅜	25¼
" preferred	56¾	31	70 —Feb. 14	52 —Jan. 3	63¾	55¼	57
Kans. City Ft. S. & Mem. pref.	83½	64⅛	84½—Mar. 16	81¾—Jan. 25	83¼	82	82¼
Louisville & Nashville	148¾	101	156¼—Apr. 26	134½—Jan. 25	148⅞	140	145¼
Manhattan consol	169¼	139¾	175 —Feb. 9	161 —May 1	164⅞	161	163
Metropolitan securities	96¼	72¼	91 —Mar. 17	73 —Jan. 9	79¾	74¾	77⅝
Metropolitan Street	130⅝	104¾	125¼—Mar. 17	114 —May 11	119½	114	117⅞
Mexican Central	23⅝	5	26 —Mar. 13	18¼—May 22	22¼	18¼	20¼
Minneapolis & St. Louis	67¾	40	64¾—Apr. 7	56½—Jan. 12	60	60	60
" preferred	96½	80	91 —Feb. 24	86 —Jan. 19	....	....	....
Minn., S. P. & S.S. Marie	95	55	122 —Mar. 29	89½—Jan. 11	117	107½	114½
" preferred	150	116	169¼—Mar. 29	148 —Jan. 13	159	153½	159
Missouri, Kan. & Tex.	36⅜	14⅝	33¼—Jan. 18	24 —May 22	29	24	26½
" preferred	65¼	32¼	69 —Mar. 13	56¼—May 23	61⅛	58¼	58½
Missouri Pacific	111½	87	110⅞—Mar. 13	94½—May 22	99	94½	97¾
Natl. of Mexico, pref.	45⅛	34¾	45 —Jan. 16	33⅛—May 8	36	33⅛	34⅝
" 2d preferred	25⅛	15⅞	24½—Jan. 10	18½—May 26	19½	18½	18½
N. Y. Cent. & Hudson River	145½	112⅞	167¾—Mar. 14	136¾—May 22	144¾	136¾	141½
N. Y., Chicago & St. Louis	47	25	55¼—Apr. 8	42 —Jan. 20	49	43	45⅜
" 2d preferred	78	60	85 —Apr. 7	74 —May 4	81½	74	78

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1904.		Highest and Lowest in 1905.				May, 1905.		
	High.	*Low.*	*Highest.*		*Lowest.*		*High.*	*Low.*	*Closing.*
N. Y., Ontario & Western.....	47⅞	19⅝	64 —Mar.	30	40⅝—Jan.	5	52⅝	44¾	51¼
Norfolk & Western............	80¾	53½	88⅛—Mar.	11	76 —May	10	80¼	76	79½
" preferred............	95	88	94½—Feb.	3	91⅛—Feb.	24	93⅛	91⅛	93
North American Co...........	107	80	107 —Apr.	17	97½—May	22	103	97½	99¼
Pacific Mail.....................	55	24	49¼—Jan.	4	33 —May	22	39⅛	33	38¼
Pennsylvania R. R............	140	111½	147¾—Mar.	13	131⅛—May	22	140¼	131⅛	135½
People's Gas & Coke of Chic.	112⅛	92¾	115½—Apr.	3	97¼—May	15	110	97¼	100¾
Pullman Palace Car Co.......	244	209	254 —Feb.	28	230 —May	31	240	230	230
Reading.........................	82⅝	38¾	99¾—Mar.	9	79 —Jan.	13	94⅛	86⅞	94
" 1st prefered..........	92	76	94 —Feb.	2	90 —May	22	92	90	90
" 2d preferred..........	85	55¼	92 —Feb.	3	84 —Jan.	5	87	85½	86½
Rock Island.....................	37¾	19⅛	37⅞—Jan.	18	24¾—May	22	30⅛	24¾	27
" preferred............	86⅝	57¾	85 —Jan.	4	71⅛—May	22	75	71⅛	72
St. L. & San Fran. 2d pref....	72½	39¼	73½—Mar.	6	61 —May	26	67½	61	63
St. Louis & Southwestern....	29	9½	27½—Jan.	20	20 —May	22	24¼	20	22
" preferred............	60¾	25⅝	66⅝—Apr.	18	55½—May	1	64½	55½	60¾
Southern Pacific Co...........	68¾	41½	72⅛—Feb.	27	57¾—May	4	63⅝	57¾	63⅛
Southern Railway............	37½	18¼	36¾—Mar.	13	28 —May	22	32	28	29⅞
" preferred............	97½	77½	100 —Mar.	22	95 —May	1			
							96¼	95	95¾
Tennessee Coal & Iron Co....	77½	31⅝	106½—Apr.	4	68 —Jan.	25	84¾	73	77½
Texas & Pacific................	38⅛	20	41 —Mar.	13	29¾—Apr.	29	33¾	30	32¾
Toledo, St. Louis & Western..	38	21½	43¾—Apr.	6	34⅛—May	22	39	34⅛	39
" preferred............	57¼	32	65 —Apr.	12	51¾—Jan.	25	58¼	52¾	57¾
Union Pacific..................	117	71	137⅞—Feb.	25	113 —Jan.	6	124½	115	123⅝
" preferred............	98	86½	101⅝—Feb.	21	96 —May	11	98	96	98
Wabash R. R..................	25	15	23⅝—Feb.	3	17½—May	23	20½	17½	18½
" preferred............	48⅛	32¾	48 —Feb.	23	37 —May	23	43	37	39
Western Union................	94½	85	95¼—Jan.	4	92 —Jan.	17	93⅛	92	93
Wheeling & Lake Erie........	22⅝	14½	19¾—Mar.	13	15 —May	1	17	15	15⅞
" second preferred....	32	21⅛	28½—Mar.	13	20 —May	4	23¾	20	22¾
Wisconsin Central............	25	16	25¼—Feb.	16	20 —Apr.	29	24	20	22⅞
" preferred............	49⅝	37	54¼—Feb.	17	45 —Jan.	13	50¾	45	48
"INDUSTRIAL"									
Amalgamated Copper........	82¾	43½	89¾—Apr.	14	70 —Jan.	25	84⅞	75	81¾
American Car & Foundry....	35½	14¾	43⅝—Apr.	14	31 —May	21	37½	31	34
" pref..................	94¾	67	104½—Apr.	6	91¼—Jan.	25	99½	94½	98
American Co. Oil Co..........	37⅞	24¼	38 —Apr.	3	30¼—May	23	33⅞	30¼	31½
American Ice	9¾	6	7¼—Feb.	1	4⅞—Apr.	29	5½	4⅞	4⅞
American Locomotive........	38⅝	16½	61¼—Apr.	13	33 —Jan.	25	53½	44	48¼
" preferred............	106	75½	122¾—Apr.	15	103¾—Jan.	5	115¼	108½	112½
Am. Smelting & Refining Co.	82½	46	123⅞—Apr.	13	79¼—Jan.	9	121⅛	106¼	112½
" preferred............	115	88¾	127 —Apr.	6	111¼—Jan.	13	122	116¾	118¼
Am. Steel & Foundries........	15¼	3½	18⅝—Mar.	20	11⅝—May	22	15	11⅝	13
" pref..................	57¼	26	67½—Apr.	4	50 —May	22	60	50	53
American Sugar Ref. Co......	153	122¼	149¾—Mar.	2	130 —May	22	138½	130	134¼
Anaconda Copper Mining....	120⅞	61	130 —Apr.	13	100½—May	22	114	100½	106
Continental Tobacco Co.pref.	131	101½	133¼—Feb.	1	131 —Jan.	21	....	....	....
Corn Products.................	28¼	9¾	22¾—Feb.	7	9½—May	26	14½	9⅛	10
" preferred............	82¼	65	79 —Jan.	10	50 —May	26	63⅝	50	51
Distillers securities...........	40½	19½	47½—Apr.	6	34⅞—Jan.	25	45	40	42½
General Electric Co...........	194½	151	192 —Mar.	16	169 —May	20	177½	169	172
International Paper Co......	25⅝	10¼	25½—Mar.	11	18⅞—May	23	21½	18⅞	19⅝
" preferred............	79⅞	64½	82¼—Apr.	6	76 —Feb.	6	79⅞	78	79½
National Biscuit..............	59½	36	66⅝—Apr.	3	54½—Jan.	25	62	57	60½
National Lead Co.............	28¼	14½	51¾—Apr.	7	24½—Jan.	5	49¾	41½	45
Pressed Steel Car Co..........	44½	24¼	46¾—Apr.	14	34 —May	23	40½	34	37¾
" preferred............	92	67	99½—Apr.	14	87 —Feb.	16	96	90½	93¼
Republic Iron & Steel Co.....	18¼	6	24⅞—Apr.	3	15 —Jan.	23	19½	15½	17½
" preferred............	73½	37	87½—Feb.	23	67 —Jan.	23	76	68¾	73¼
Rubber Goods Mfg. Co........	29⅞	14¾	38 —May	15	24¼—Mar.	7	38	29	34½
" preferred............	98	74¾	109⅛—Apr.	1	94 —Jan.	25	109	102	104
U. S. Leather Co.............	20¾	6½	14⅝—Jan.	16	10⅞—May	23	12½	10⅞	11⅝
" preferred............	106½	75⅝	109½—Mar.	30	100¾—Jan.	31	108¾	106	107
U. S. Rubber Co..............	34½	10½	45½—Apr.	7	33¾—Jan.	3	42½	35½	38⅞
" preferred............	100	41	118½—Apr.	7	98⅝—Jan.	6	111	104	105⅞
U. S. Steel......................	33½	8⅜	38¼—Apr.	7	24⅞—May	22	33¼	24⅞	27½
" pref......................	95⅝	51¼	104⅞—Apr.	18	90¼—May	22	101⅝	90¾	94½

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
Ann Arbor 1st g 4's...............1995	7,000,000	Q J	100	May 31,'05	100	99½	87,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's.1995	148,155,000	A & O	103⅛	May 31,'05	103¼	102⅛	753,000
• registered..................	....	A & O	102¾	May 26,'05	102¾	101⅝	34,000
• adjustment, g. 4's.....1995	25,616,000	NOV	96½	May 31,'05	97	96	180,000
• registered..................	....	NOV	94½	Feb. 9,'05	....	....	....
• stamped...............1995	26,112,000	M & N	94¾	May 31,'05	95⅜	94	231,000
• serial debenture 4's—							
• series D................1906	2,500,000	F & A	99	Aug. 15,'04	....	....	....
• registered..................	....	F & A	....	....	....	....	....
• series E................1907	2,500,000	F & A	99⅝	May 2,'05	99⅝	99⅝	5,000
• registered..................	....	F & A	....	....	....	....	....
• series F................1908	2,500,000	F & A	99½	Nov. 3,'04	....	....	....
• registered..................	....	F & A	....	....	....	....	....
• series G................1909	2,500,000	F & A	99¼	Dec. 19,'04	....	....	....
• registered..................	....	F & A	....	....	....	....	....
• series H................1910	2,500,000	F & A	99½	Jan. 10,'05	....	....	....
• registered..................	....	F & A	....	....	....	....	....
• series I................1911	2,500,000	F & A	98½	Nov. 23,'04	....	....	....
• registered..................	....	F & A	....	....	....	....	....
• series J................1912	2,500,000	F & A	....	....	....	....	....
• registered..................	....	F & A	....	....	....	....	....
• series K................1913	2,500,000	F & A	97	Oct. 26,'04	....	....	....
• registered..................	....	F & A	....	....	....	....	....
• series L................1914	2,500,000	F & A	92⅞	Nov. 10,'02	....	....	....
• registered..................	....	F & A	....	....	....	....	....
• East.Okla.div.1st g.4's.1928	6,128,000	M & S	99¼	Jan. 23,'05	....	....	....
• • registered......	....	M & S	....	....	....	....	....
• Chic. & St. L. 1st 6's...1915	1,500,000	M & S	....	....	....	....	....
Atlan. Coast Line R.R.Co. 1st g.4's.1952	42,139,000	M & S	102	May 29,'05	102½	101¼	284,000
• registered..................		M & S	92	Feb. 15,'04	....	....	....
Charleston & Savannah 1st g.7's.1936	1,500,000	J & J	108¾	Dec. 13,'99	....	....	....
Savanh Florida & W'n 1st g.6's.1934	4,056,000	A & O	125⅛	Nov. 30,'03	....	....	....
• 1st g. 5's............1934	2,444,000	A & O	112⅝	Jan. 26,'04	....	....	....
Alabama Midland 1st gtd g. 5's.1928	2,800,000	M & N	114¼	Oct. 18,'04	....	....	....
Brunswick & W'n 1st gtd.g.4's.1938	3,000,000	J & J	93	July 14,'04	....	....	....
Sil.SpsOc.& G.RR.&ldg.gtdg.4s.1918	1,067,000	J & J	97¾	Oct. 5,'04	....	....	....
Balt. & Ohio prior lien g. 3½s..1925	72,798,000	J & J	96	May 24,'05	96½	95¼	223,000
• registered...............		J & J	96	Nov. 7,'04	....	....	....
• g. 4s...................1948	70,963,000	A & O	104¼	May 31,'05	104¾	103¼	311,000
• g. 4s. registered...........		A & O	103	May 9,'05	103	103	7,000
• ten year c. deb. g. 4's..1911	582,000	M & S	105	May 22,'05	109	105	11,000
Pitt Jun. & M. div. 1st g. 3½s. 1925	11,293,000	M & N	91¾	May 16,'05	91¾	91¾	2,500
• registered................		QFeb	....	....	....	....	....
Pitt L. E. & West Va. System refunding g 4s.......1941	29,347,000	M & N	99	May 27,'05	99	98½	68,000
• Southw'n div. 1st g.3½s.1925	43,590,000	J & J	92¾	May 31,'05	92¾	92	274,000
• registered....................		Q J	90¼	July 16,'01	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	105⅛	Mar. 11,'04	....	....	....
Cen. Ohio. Reorg. 1st c. g.4½'s, 1930	1,009,000	M & S	109	Apr. 25,'05	....	....	....
Ptsbg Clev. & Toledo, 1st g.6's..1922	515,000	A & O	119⅛	Mar. 7,'04	....	....	....
Pittsburg & Western, 1st g.4's...1917	688,000	J & J	97¾	May 4,'05	97¾	97¾	2,000
• J. P. Morgan & Co. cer.....	1,921,000	......	99	May 9,'05	99	99	1,000
Buffalo, Roch. & Pitts. g. g. 5's...1937	4,427,000	M & S	120¾	May 26,'05	121½	120	46,000
Alleghany & Wn. 1st g. gtd 4's.1998	2,000,000	A & O	....	....	....	....	....
Clearfield & Mah. 1st g. g. 5's....1943	650,000	J & J	128	June 6,'02	....	....	....
Rochester & Pittsburg. 1st 6's..1921	1,300,000	F & A	124½	Apr. 28,'05	....	....	....
• cons. 1st 6's,...........1922	3,920,000	J & D	126	Mar. 25,'05	....	....	....
Buff. & Susq. 1st refundg g. 4's..1951	4,305,000	J & J	100½	May 17,'05	100½	100	43,000
registered......		J & J	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
Canada Southern 1st int. gtd 5's,	1908	14,000,000	J & J	104¼	May 29,'05	104⅜	103¾	120,000
" 2d mortg. 5's,	1913	6,000,000	M & S	106¾	May 24,'05	107	105½	51,000
" registered			M & S	106	Apr. 19,'04	....	....	....
Central Branch U. Pac. 1st g. 4's.	1948	2,500,000	J & D	94	Jan. 4,'05	....	....	....
Central R'y of Georgia, 1st g. 5's.	1945	7,000,000	F & A	119	May 22,'05	119	119	1,000
" registered $1,000 & $5,000			F & A	....	....	....	....	....
" con. g. 5's	1945	16,700,000	M & N	113¾	May 31,'05	114	113	159,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	107	June 14,'04	....	....	....
" 1st. pref. inc. g. 5's,	1945	4,000,000	OCT 1	92⅛	May 23,'05	94½	92	44,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	81	May 31,'05	81	74⅛	435,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	66⅛	May 31,'05	66⅛	59	380,000
" Chat. div. pur. my. g. 4's.	1951	2,057,000	J & D	94⅛	Apr. 4,'05	....	....	....
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	104	Feb. 19,'04	....	....	....
" Mid. Ga. & Atl. div. g 5s.	1947	418,000	J & J	102	June 29,'99	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	107¼	Aug. 2,'04	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1937	4,880,000	M & N	112	Apr. 8,'05	....	....	....
Central of New Jersey, gen. g. 5's	1987	45,091,000	J & J	126¼	May 31,'05	136¼	135⅛	55,000
" registered			Q J	134¼	May 10,'05	134¼	134¼	1,000
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	114⅛	May 5,'05	114⅛	114⅛	1,000
Lehigh & H. R. gen. gtd g. 5's.	1920	1,062,000	J & J	....	....	....	....	....
Lehigh & W.-B. Coal con. 5's.	1912	2,691,000	Q M	104⅛	Mar. 17,'05	....	....	....
" con. extended gtd. 4½'s.	1910	12,175,000	Q M	102¼	May 27,'05	102⅞	102	34,000
N.Y. & Long Branch gen. g. 4's.	1941	1,500,000	M & S	....	....	....	....	....
Ches. & Ohio 6's, g., Series A	1908	2,000,000	A & O	106	May 16,'05	106	106	5,000
" Mortgage gold 6's	1911	2,000,000	A & O	108¾	May 15,'05	108¾	108¾	2,000
" 1st con. g. 5's	1939	25,858,000	M & N	117¾	May 31,'05	118	117¼	67,000
" registered			M & N	116¼	May 18,'05	116¼	116¼	1,000
" Gen. m. g. 4½'s	1992	38,573,000	M & S	107⅛	May 31,'05	108	107⅛	197,000
" registered			M & S	95	Dec. 22,'03	....	....	....
" Craig Val. 1st g. 5's	1940	650,000	J & J	113	Mar. 8,'05	....	....	....
" (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	103¾	May 22,'05	103¾	103	25,000
" 2d con. g. 4's	1989	1,000,000	J & J	98	Apr. 7,'05	...	....	....
" Warm S. Val. 1st g. 5's,	1941	400,000	M & S	113¼	Feb. 17,'05	....	....	....
Greenbrier Ry. 1st gtd. 4's	1940	2,000,000	M & N	95½	Sept. 20,'04	....	....	....
Chic. & Alton R. R. ref. g. 3's	1949	31,988,000	A & O	85¾	May 31,'05	85¾	84½	58,000
" " registered			A & O	....	....	....	....	....
Chic. & Alton Ry 1st lien g. 3½'s.	1950	22,000,000	J & J	81	May 29,'05	82¼	80½	155,000
" registered			J & J	80¼	Mar 4,'05	80¼	80¼	5,000
Chicago, Burl. & Quincy:								
" Denver div. 4's	1922	4,783,000	F & A	102¼	May 2,'05	102¼	102¼	1,000
" Illinois div. 3½s	1949	50,835,000	J & J	97¼	May 23,'05	98	97	18,000
" registered			J & J	96½	Feb. 24,'05	....	....	....
" Illinois div. 4s	1949	10,306,000	J & J	105¾	Aug. 8,'04	....	....	....
" registered		....	J & J	....	....	....	....	....
" (Iowa div.) sink. f'd 5's,	1919	2,388,000	A & O	110¼	Jan. 5,'05	....	....	....
" 4's	1919	7,882,000	A & O	103	Apr. 29,'05	....	....	....
" Nebraska extensi'n 4's,	1927	25,344,000	M & N	106¼	May 26,'05	106¼	106¼	2,000
" registered			M & N	106½	Feb. 15,'05	....	....	....
" Southwestern div. 4's.	1921	2,500,000	M & S	100	Apr. 10,'05	....	....	....
" 4's joint bonds	1921	215,223,000	J & J	102¾	May 31,'05	103⅛	99½	5,512,000
" " registered			Q JAN	101¼	May 27,'05	101¼	98½	63,000
" 5's, debentures	1913	9,000,000	M & N	108	Apr. 17,'05	....	....	....
Han. & St. Jos. con. 6's	1911	8,000,000	M & S	114	May 5,'05	114⅛	114	3,000
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	107¾	May 4,'05	107¾	107¾	1,000
" small bonds			J & D	103½	July 8,'04	....	....	....
" 1st con. 6's, gold	1934	2,653,000	A & O	137⅛	May 26,'05	137⅛	137⅛	1,000
" gen. con. 1st 5's	1937	16,529,000	M & N	119	May 23,'05	119⅝	118½	25,000
" registered			M & N	119⅛	Mar. 2,'05	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	121¼	Apr. 20,'05	....	....	....
Chicago, Indianapolis & Louisville.								
" refunding g. 6's	1947	4,700,000	J & J	135	Apr. 28,'05	....	....	....
" ref. g. 5's	1947	4,742,000	J & J	114	May 10,'05	114	114	15,000
Louisv. N. Alb. & Chic. 1st 6's.	1910	3,000,000	J & J	110½	Apr. 27,'05	....	....	....
Chicago, Milwaukee & St. Paul.								
Chicago Mil. & St. Paul con. 7's,	1905	507,000	J & J	187	Mar. 14,'05	....	....	....
" terminal g. 5's	1914	4,748,000	J & J	111⅝	May 20,'05	111⅝	111¼	27,000
" gen. g. 4's, series A	1989	23,676,000	J & J	113⅛	May 16,'05	113⅛	113⅛	1,000
" registered		....	Q J	109½	June 18,'04	....	....	....

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NAME.	Principal Due.	Amount.	Int'st paid.	LAST SALE. Price.	Date.	MAY SALES. High.	Low.	Total.
” gen. g. 3½'s, series B.	1989	2,500,000	J & J	98⅞	Jan. 9,'05	....	....	....
” registered			J & J	....		....	....	....
” Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	116¾	Apr. 6,'05	....	....	....
” Chic. & M. R. div. 5's,	1926	3,083,000	J & J	119⅝	May 20,'05	119⅝	119⅝	10,000
” Chic. & Pac. div. 6's,	1910	3,000,000	J & J	111⅛	Mar. 30,'05	....	....	....
” 1st Chic. & P. W. g. 5's.	1921	25,340,000	J & J	116⅝	May 23,'05	117½	116½	27,000
” Dakota & Gt. S. g. 5's.	1916	2,856,000	J & J	112	Mar. 7,'05	....	....	....
” Far. & So. g. 6's assu...	1924	1,250,000	J & J	137½	July 18,'98	....	....	....
” 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	115⅝	May 17,'05	116	115⅝	11,000
” 1st 5's	1910	990,000	J & J	106	Aug. 3,'04	....	....	....
” 1st 7's, Iowa & D, ex.	1908	831,000	J & J	185	Apr. 26,'05	....	....	....
” 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	115⅝	May 8,'05	115⅝	115⅝	11,000
” Mineral Point div. 5's,	1910	2,840,000	J & J	106⅝	Apr. 3,'05	....	....	....
” 1st So. Min. div. 6's....	1910	7,432,000	J & J	111	Mar. 27,'05	....	....	....
” 1st 6's, Southw'n div.,	1909	4,000,000	J & J	110	May 19,'05	110	109⅞	2,000
” Wis. & Min. div. g. 5's.	1921	4,755,000	J & J	116½	May 20,'05	116¾	116½	22,000
” Mil. & N. 1st M. L. 6's.	1910	2,155,000	J & D	112⅛	Apr. 17,'05	....	....	....
” 1st con. 6's	1913	5,092,000	J & D	116½	Jan. 5,'05	....	....	....
Chic. & Northwestern con. 7's...	1915	12,832,000	Q F	127¼	May 29,'05	127¼	126¼	11,000
” extension 4's.....	1886–1926	18,632,000	F A 15	104½	Dec. 27,'04	....	....	....
” registered			F A 15	102⅝	May 11,'04	....	....	....
” gen. g. 3½'s	1987	20,538,000	M & N	99½	May 24,'05	99½	99½	1,000
” registered			Q F	103	Nov. 19,'98	....	....	....
” sinking fund 6's..	1879–1929	5,686,000	A & O	117½	May 22,'05	117½	117½	1,000
” registered			A & O	117	Feb. 15,'05	....	....	....
” sinking fund 5s'..	1879–1929	6,769,000	A & O	110½	Apr. 3,'05	....	....	....
” registered			A & O	107	Mar. 28,'04	....	....	....
” deben. 5's	1909	5,900,000	M & N	106	Mar. 13,'05	....	....	....
” registered			M & N	104	Mar. 3,'04	....	....	....
” deben. 5's	1921	10,000,000	A & O	111½	May 9,'05	111½	111½	3,000
” registered			A & O	108¾	Jan. 12,'04	....	....	....
” sinking f'd deben. 5's.	1933	9,800,000	M & N	117	May 16,'05	117	117	1,000
” registered			M & N	115½	Apr. 28,'05	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Milwaukee & Madison 1st 6's...	1905	1,600,000	M & S	104½	Mar. 16,'02	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	105½	May 23,'04	....	....	....
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	105	May 29,'05	105	105	2,000
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	110¼	Mar. 28,'05	....	....	....
Mil., L. Shore & We'n 1st g. 6's.	1921	5,000,000	M & N	130	Mar. 18,'05	....	....	....
” ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	119¼	Nov. 15,'04	....	....	....
” Ashland div. 1st g. 6's	1925	1,000,000	M & S	142½	Feb. 10,'02	....	....	....
” Michigan div. 1st g. 6's.	1924	1,281,000	J & J	131½	Jan. 5,'05	....	....	....
” con. deb. 5's	1907	436,000	F & A	108	Apr. 8,'04	....	....	....
” incomes	1911	500,000	M & N	109	Sept. 9,'02	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,500,000	J & J	123⅞	Apr. 27,'05	....	....	....
” registered	1917		J & J	123	May 22,'05	123	123	10,000
” gen. g. 4's	1988	61,581,000	J & J	106¾	May 31,'05	107	106⅝	49,000
” registered			J & J	107	Jan. 16,'03	....	....	....
” refunding 4s	1934	32,558,000	A & O	95⅞	May 31,'05	96¼	95	455,000
” registered			A & O	....		....	....	....
” coll. tr. ser. 4's ser. C.	1905	1,494,000	M & N	101¼	Sept. 29,'02	....	....	....
” D	1906	1,494,000	M & N	....		....	....	....
” E	1907	1,494,000	M & N	....		....	....	....
” F	1908	1,494,000	M & N	....		....	....	....
” G	1909	1,494,000	M & N	....		....	....	....
” H	1910	1,494,000	M & N	97	July 14,'04	....	....	....
” I	1911	1,494,000	M & N	97½	May 26,'05	97½	97½	1,000
” J	1912	1,494,000	M & N	....		....	....	....
” K	1913	1,494,000	M & N	....		....	....	....
” L	1914	1,494,000	M & N	96¼	May 26,'05	96¼	96¼	1,000
” M	1915	1,494,000	M & N	96	May 16,'04	....	....	....
” N	1916	1,494,000	M & N	93	May 24,'04	....	....	....
” O	1917	1,494,000	M & N	94	Dec. 5,'04	....	....	....
” P	1918	1,494,000	M & N	90	May 11,'04	....	....	....
Chic. Rock Is. & Pac. R.R. 4's..	2002	69,557,000	M & N	80	May 31,'05	81½	79	1,072,000
” registered			M & N	76½	Sept. 14,'04	....	....	....
” coll. trust g. 5's	1913	17,323,000	M & S	91¾	May 31,'05	93	90½	681,000
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	102½	Apr. 17,'05	....	....	....
” con. 1st & col. tst 5's.	1934	11,000,000	A & O	119	May 23,'05	119	118⅝	4,000
” registered			A & O	120½	Mar. 16,'03	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 5's.	1921	1,905,000	A & O	112½	Sept. 26,'04	....	....	....
Minneap's & St. Louis 1st 7's. g,	1927	150,000	J & D	40	Aug. 21,'95	....	....	....
Choc., Okla. & Glf. gen. g. 5s....	1919	5,500,000	J & J	110⅛	Apr. 17,'05	....	....	....
” con. g. 5's	1952	5,411,000	J & J	115	Apr. 20,'05	....	....	....
Keokuk & Des M. 1st mor. 5's..	1923	2,750,000	A & O	109¼	May 29,'05	109¼	109¼	1,000
” small bond	1923	....	A & O	102½	Apr. 26,'04	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
Chic., St.P., Minn.& Oma.con.6's	1930	14,740,000	J & D	137½	May 6,'05	138	137½	3,000
“ con.6's reduced to 3½'s	1930	2,000,000	J & D	93	Dec. 19,'04	....	....	....
Chic., St. Paul & Minn. 1st 6's	1918	1,819,000	M & N	135⅞	Apr. 24,'05	....	....	....
North Wisconsin 1st mort. 6's	1930	654,000	J & J	129¾	Mar. 3,'04	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	124	May 10,'05	124	123¾	2,000
Chic., Term. Trans. R. R. g. 4's	1947	15,185,000	J & J	97	May 22,'05	97	97	10,000
“ coupons off				95½	May 31,'05	95½	94¾	85,000
Chic. & Wn. Ind. gen'l g. 6's	1932	9,250,000	Q M	115	May 16,'05	115	113	1,000
Cin., Ham. & Day. con. s'k. f'd 7's	1905	927,000	A & O	104½	Dec. 5,'03	....	....	....
“ 2d g. 4½'s	1937	2,000,000	J & J	113	Oct. 10,19'	....	....	....
Cin., Day. & Ir'n 1st gt. dg. 5's	1941	3,500,000	M & N	116	May 9,'05	116	116	11,000
Cin. Find. & Ft. W. 1st gtd g. 4's	1923	1,150,000	M & N	....	....	....	....	....
Cin. Ind. & Wn. 1st & ref. gtd g. 4's	1953	4,672,000	J & J	99	May 6,'05	99	99	1,000
Clev., Cin., Chic. & St.L. gen. g. 4's	1993	19,749,000	J & D	103⅝	May 29,'05	103⅝	102½	138,000
“ do Cairo div. 1st g. 4's	1939	5,000,000	J & J	101	May 8,'05	101	101	2,000
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	100⅝	Mar. 21,'05	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	101⅝	May 23,'05	101⅝	100⅞	7,000
“ registered				100	Oct. 3,'04	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	99¾	Feb. 8,'05	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	94½	Aug. 31,'03	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,599,000	Q F	101	May 10,'05	101	100½	15,000
“ registered				95	Nov. 15,'94	....	....	....
“ con. 6's	1920	668,000	M & N	105	Jan. 22,'04	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	114¼	Apr. 7,'05	....	....	....
Clev., C., C. & Ind. con. 7's	1914	3,991,000	J & D	123	Dec. 6,'04	....	....	....
“ sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
“ gen. consol 6's	1934	3,205,000	J & J	135	May 10,'05	135	135	1,000
“ registered			J & J	....	....	....	....	....
Ind. Bloom. & West. 1st pfd 4's	1940	981,500	A & O	104½	Nov. 19,'01	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	99½	May 29,'05	101	99	63,000
“ income 4's	1990	4,000,000	A	73	May 24,'05	74⅜	71½	245,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	5,000,000	A & O	112½	Feb. 9,'04	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	116½	Jan. 23,'05	....	....	....
“ registered			Q J	....	....	....	....	....
Col. Midld Ry. 1st g. 4's	1947	8,946,000	J & J	75	May 31,'05	75½	74	153,000
Colorado & Southern 1st g. 4's	1929	19,103,000	F & A	94	May 31,'05	94¼	93¼	263,000
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	108	Mar. 15,'05	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	127	May 31,'05	127	126	4,000
“ 1st c. gtd 7's	1915	11,677,000	J & D	131¾	May 22,'05	131¾	131¾	5,000
“ registered			J & D	130	Jan. 17,'05	....	....	....
“ 1st refund. gtd. g. 3½'s	2000	7,000,000	J & D	....	....	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	130	May 12,'05	130	129½	6,000
“ const. 5's	1923	5,000,000	F & A	112⅛	May 9,'05	115	112⅛	6,000
“ terml. imp. 4's	1923	5,000,000	M & N	104	May 10,'05	104	104	1,000
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	107	Mar. 13,'05	....	....	....
Warren Rd. 1st rfdg. gtd g. 3½'s	2000	905,000	F & A	102	Feb. 2,'03	....	....	....
Delaware & Hudson Canal.								
“ 1st Penn. Div. c. 7's	1917	5,000,000	M & S	134	May 2,'04	134½	134	3,000
“ reg.	1917		M & S	149	Aug. 5,'01	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	102¾	Apr. 19,'05	....	....	....
“ 6's	1906	7,000,000	A & O	102½	May 22,'05	102½	102½	2,000
Rens. & Saratoga 1st 7's	1921	2,000,000	M & N	142½	Mar. 10,'05	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	33,450,000	J & J	101¾	May 31,'05	101¾	100¾	38,000
“ con. g. 4½'s	1936	6,382,000	J & J	108	Apr. 25,'05	....	....	....
“ impt. m. g. 5's	1928	8,318,500	J & D	110	May 26,'05	110	109½	18,000
Rio Grande Western 1st g. 4's	1939	15,200,000	J & J	99½	May 31,'05	100	99½	34,000
“ mge. & col. tr. g. 4's ser. A	1949	13,336,000	A & O	91¾	May 29,'05	91¾	91	21,000
Utah Central 1st gtd. g. 4's	1917	550,000	A & O	97	Jan. 3,'02	....	....	....
Midl'd Ter. Ry. 1st g. s. f. 5's	1925	472,000	J & D	....	....	....	....	....
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	110	Sept. 30,'04	....	....	....
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	100	Sept. 13,'04	....	....	....
“ g. 4s	1995	1,250,000	J & D	96½	Apr. 17,'05	....	....	....
Detroit Southern 1st g. 4's	1951	3,866,000	J & D	81¾	Mar. 1,'05	....	....	....
“ Ohio South. div. 1st g. 4's	1941	4,281,000	M & S	93	May 26,'05	93	92	27,000
Duluth & Iron Range 1st 5's	1937	6,732,000	A & O	116	May 4,'05	116	116	9,000
“ registered			A & O	101½	July 23,'89	....	....	....
“ 2d l m 6s	1916	2,000,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	3,816,000	J & J	115	Apr. 28,'05	....	....	....
Duluth Short Line 1st gtd. 5's	1916	500,000	M & S	....	....	....	....	....
Elgin Joliet & Eastern 1st g 5's	1941	8,500,000	M & N	119½	May 20,'05	119½	118	19,000

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale Price.	Last Sale Date.	May Sales. High.	May Sales. Low.	May Sales. Total.
Erie 1st ext. g. 4's	1947	2,482,000	M & N	107	May 3,'05	107	107	2,000
• 2d extended g. 5's	1919	2,149,000	M & S	113¾	July 11,'04	....	....	....
• 3d extended g. 4½'s	1923	4,617,000	M & S	109	Apr. 15,'05	....	....	....
• 4th extended g. 5's	1920	2,926,000	A & O	117⅛	Feb. 9,'05	....	....	....
• 5th extended g. 4's	1928	709,500	J & D	103	Feb. 17,'05	....	....	....
• 1st cons gold 7's	1920	16,890,000	M & S	134⅛	May 22,'05	134⅛	134⅛	1,000
• 1st cons. fund g. 7's	1920	3,699,500	M & S	130	Aug. 7,'03	....	....	....
Erie R.R. 1st con.g-4s prior bds.	1996	35,000,000	J&J	102¼	May 31,'05	102⅛	101⅛	175,000
• registered			J&J	98⅛	Jan. 21.'04	....	....	....
• 1st con. gen. lien g. 4s.	1996	35,885,000	J&J	93⅛	May 31,'05	93⅛	92¼	222,000
• registered			J&J	88	Nov.15,'04	....	....	....
• Penn. col. trust g. 4's.	1951	33,000,000	F & A	95⅛	May 31,'05	95⅛	94⅛	135,000
• 50 yrs. con. g. 4's ser A.	1953	10,000,000	A & O	104⅛	May 31,'05	106⅛	103	568,000
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	126⅛	Mar. 13,'05	....	....	....
Buffalo & Southwestern g. 6's	1908	1,500,000	J&J	110	Mar. 3,'05	....	....	....
• small			J&J	....		....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	121¼	May 25,'05	121¼	120½	51,000
Jefferson R. R. 1st gtd g. 5's	1909	2,800,000	A & O	105	Feb. 1,'05	....	....	....
Long Dock consol. g. 6's	1935	7,500,000	A & O	136¼	Mar. 8,'05	....	....	....
N. Y. L. E. & W. Coal & R. R. Co. 1st gtd. currency 6's	1922	1,100,000	M&N	118	July 25,'04	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	113⅛	Nov. 25,'03	....	....	....
N. Y. & Greenw'd Lake gt g 5's.	1946	1,452,000	M&N	117	Jan. 17,'05	....	....	....
• small								
Midland R. of N. J. 1st g. 6's	1910	3,500,000	A & O	110	May 26,'05	110	109⅛	2,000
N.Y., Sus.&W. 1st refdg. g. 5's	1937	3,745,000	J & J	116	Apr. 1,'05	....	....	....
• 2d g. 4½'s	1937	447,000	F & A	102⅛	May 16,'05	102⅛	102⅛	5,000
• gen. g. 5's	1940	2,546,000	F & A	110⅛	May 13,'05	110¾	110½	20,000
• term. 1st g. 5's	1943	2,000,000	M & N	117⅛	Jan. 19,'05	....	....	....
• registered......$5,000 each			M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	109⅞	Jan. 5,'05	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	114	Apr. 19,'05	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	123⅛	Mar. 31,'05	....	....	....
• 1st General g 5's	1942	2,672,000	A & O	110⅛	May 11,'05	110⅛	107	2,000
• Mount Vernon 1st 6's	1923	375,000	A & O	114	Apr. 19,'05	....	....	....
• Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	104	Oct. 31,'04	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.	1941	1,000,000	J & J	105	Mar. 11,'98	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	113¾	May 29,'05	114	113	64,000
Ft. Worth & Rio Grande 1st g 5's.	1928	2,863,000	J & J	90	May 22,'05	90	90	36,000
Galveston H. & H. of 1882 1st 5s	1913	2,000,000	A & O	102⅛	May 19,'05	102⅛	102⅛	2,000
Gulf & Ship Isl. 1st refg. & ter. 5's	1952	4,574,000	J & J	105	Mar. 28,'05	....	....	....
• registered			J & J	....		....	....	....
Hock. Val. Ry. 1st con. g. 4½'s	1999	13,139,000	J & J	111⅜	May 31,'05	111⅛	111	70,000
• registered			J & J	105⅛	July 14,'04	....	....	....
Col. Hock's Val. 1st ext. g. 4's.	1848	1,401,000	A & O	100	Apr. 19,'05	....	....	....
Illinois Central, 1st g. 4's	1951	1,500,000	J&J	113	Nov. 7,'04	....	....	....
• registered			J&J	113⅛	Mar. 12,19'	....	....	....
• 1st gold 3½'s	1951	2,499,000	J&J	103	Apr. 24,'05	....	....	....
• registered			J&J	94	Mar. 28,'03	....	....	....
• extend 1st g 3½'s	1951	3,000,000	A & O	101⅛	May 22,'05	101⅛	101⅛	1,000
• registered			A & O	....		....	....	....
• 1st g 3s sterl. £500,000.	1951	2,500,000	M & S	70	Oct. 17,'04	....	....	....
• registered			M & S	....		....	....	....
• total outstg....$13,950,000								
• collat. trust gold 4's	1952	15,000,000	A & O	106⅛	May 3,'05	107	106⅛	2,000
• regist'd			A & O	102	Oct. 4,'03	....	....	....
• col. t. g. 4s L. N. O. & Tex.	1953	24,679,000	M & N	105¼	May 27,'05	105¼	105	11,000
• registered			M & N	101	Apr. 7,'04	....	....	....
• Cairo Bridge g 4's	1950	3,000,000	J & D	106⅛	Mar. 7,'03	....	....	....
• registered			J & D	123	May 24,'99	....	....	....
• Litchfield div. 1st g. 3s.	1951	3,148,000	J & J	....		....	....	....
• Louisville div. g. 3½'s.	1953	14,320,000	J & J	95¾	May 10,'05	95¾	95¾	1,000
• registered			J & J	88⅛	Dec. 8,'99	....	....	....
• Middle div. reg. 5's	1921	600,000	F & A	95	Dec. 21,'99	....	....	....
• Omaha div. 1st g. 3's	1951	5,000,000	F & A	86	Jan. 12,'05	....	....	....
• St. Louis div. g. 3's	1951	4,989,000	J & J	85	Nov. 29,'04	....	....	....
• registered			J & J	101¼	Jan. 31,'19	....	....	....
• g. 3½'s	1951	6,321,000	J & J	96	Mar. 15,'05	....	....	....
• registered			J & J	101⅛	Sept. 10,'95	....	....	....
• Sp'gfield div 1st g 3½'s.	1951	2,000,000	J & J	100	Nov. 7,19'	....	....	....
• registered			J & J	124	Dec. 11,'99	....	....	....
• West'n Line 1st g. 4's,	1951	5,425,000	F & A	109⅛	May 26,'05	109⅛	109⅛	2,000
• registered			F & A	101⅛	Jan. 31,'91	....	....	....
Belleville & Carodt 1st 6's	1923	470,000	J & D	124⅛	Apr. 5,'04	....	....	....

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Carbond'e & Shawt'n 1st g. 4's	1932	241,000	M & S	105	Jan. 22,19'	....	....	....
Chic., St. L. & N. O. gold 5's	1951	16,555,000	J D 15	125	Feb. 2,'05	....	....	....
" gold 5's, registered			J D 15	119¾	Mar. 12,'04	....	....	....
" g. 3½'s	1951	1,352,000	J D 15	93⅝	May 31,'04	....	....	....
" registered			J D 15	106¼	Aug.17,'99	....	....	....
" Memph. div. 1st g. 4's	1951	3,500,000	J & D	110½	Jan. 4,'05	....	....	....
" registered			J & D	121	Feb. 24,'99	....	....	....
St. Louis South. 1st gtd. g. 4's	1931	538,000	M & S	101½	Mar. 16,'05	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	106	Mar. 28,'04	....	....	....
" 1st gtd. g. 5's	1935	933,000	J & J	107½	Dec. 18,'01	....	....	....
Indiana, Illinois & Iowa 1st g. 4's	1950	4,850,000	J & J	100⅛	May 24,'05	100⅛	100⅛	12,000
Internat. & Gt. N'n 1st. 6's, gold	1919	11,291,000	M & N	120½	May 24,'05	120½	119¼	18,000
" 2d g. 5's	1909	10,391,000	M & S	101⅛	May 26,'05	101¾	100⅛	42,000
" 3d g. 4's	1921	2,960,500	M & S	80	May 23,'05	80	78	20,000
Iowa Central 1st gold 5's	1938	7,650,000	J & D	115	May 23,'05	115½	114⅞	4,000
" refunding g. 4's	1951	2,000,000	M & S	85	Apr. 11,'05	....	....	....
Kansas City Southern 1st g. 3's	1950	30,000,000	A & O	71¼	May 31,'05	71⅛	70¼	642,000
" registered			A & O	63¼	Oct. 16,19'	....	....	....
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	119	May 29,'05	119½	119	4,000
" 2d mtge. g. 5's	1941	3,625,000	J & J	116¼	Apr. 6,'05	....	....	....
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	120	Feb. 20,'05	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	112⅛	May 27,'05	112⅛	111	28,000
" registered		....	J&J	105	Jan. 6,'04	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	119¼	May 18,'05	119¼	119¼	5,000
" registered			A & O	109½	Oct. 18,'99	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,114,000	J & J	108	Dec. 15,'04	....	....	....
" registered	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	99	Jan. 3,'05	....	....	....
" registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	106½	Nov. 3,'04	....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	100⅝	June16,'04	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	117½	Apr. 10,'05	....	....	....
" 1st con. g. 4's	1931	1,121,000	Q J	116¼	June 8,'04	....	....	....
Long Island gen. m. 4's	1938	3,000,000	J & D	101½	May 9,'05	102½	101½	5,000
" Ferry 1st g. 4½'s	1922	1,494,000	M & S	105	Jan. 18,'05	....	....	....
" g. 4's	1932	325,000	J & D	99¼	Oct. 28,'04	....	....	....
" unified g. 4's	1949	6,860,000	M & S	100¼	May 26,'05	102	100¼	19,000
" deb. g. 5's	1934	1,135,000	J & D	110	June22,'04	....	....	....
" gtd. refunding g. 4's	1949	12,200,000	M & S	102¼	May 27,'05	102⅜	102	79,000
" " registered			M & S	....	....	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
" 1st 5's	1911	750,000	M & S	105¼	Mar. 3,'03	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,601,000	A & O	112	Mar. 10,'02	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	883,000	M & S	111⅝	May 26,'05	111⅝	111⅝	1,000
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,425,000	QJAN	109	Nov.28,'04	....	....	....
Louisiana & Arkan. Ry. 1st g. 5's	1927	2,724,000	M & S	105½	Apr. 14,'05	....	....	....
Louis. & Nash. gen. g. 6's	1930	7,875,000	J & D	121⅞	May 20,'05	122	121⅞	45,000
" gold 5's	1937	1,764,000	M & N	118¾	May 23,'05	118¾	118⅝	3,000
" Unified gold 4's	1940	31,722,000	J & J	104	May 31,'05	104¼	103½	170,000
" registered	1940		J & J	101⅞	June18,'94	....	....	....
" collateral trust g. 5's	1931	5,129,000	M & N	114	Apr. 1,'05	....	....	....
" 5-20yr. col. tr. deed g. 4's	1923	23,000,000	A A O	98⅛	May 29,'05	98½	98	160,000
" E., Hend. & N. 1st 6's	1919	1,675,000	J & D	117	May 18,'05	117	116½	2,000
" L. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	109	Mar. 6,'05	....	....	....
" N.O. & Mobile 1st g. 6's	1930	5,000,000	J & J	131¾	May 22,'05	131¾	131¾	8,000
" 2d g. 6's	1930	1,000,000	J & J	126½	Feb. 17,'05	....	....	....
" Pensacola div. g. 6's	1920	580,000	M & S	114	Apr. 26,'02	....	....	....
" St. Louis div. 1st g. 6's	1921	3,500,000	M & S	121½	May 2,'05	121½	121½	1,000
" 2d g. 3's	1980	3,000,000	M & S	115¼	Mar. 7,'05	....	....	....
" At. Kx. & N. R. 1st g. 5's	1946	1,000,000	J & D	112½	Nov. 16,'04	....	....	....
" H. B'ge 1st sk'fd. g 6's	1931	1,453,000	M & S	....	....	....	....	....
" Ken. Cent. g. 4's	1987	6,742,000	J & J	100¾	May 26,'05	100¾	100¾	3,000
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	110	Feb. 3,'05	....	....	....
" South. Mon. joint 4's	1952	11,827,000	J & J	97	May 25,'05	97¼	97	8,000
" registered			Q Jan	95	Feb. 6,'05	....	....	....
" N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	115	Mar. 3,'05	....	....	....
" Pen. & At. 1st g. g. 6's	1921	2,394,000	F & A	112¼	Mar. 23,'05	....	....	....
" S. & N. A. con. gtd. g. 5's	1936	3,678,000	F & A	116½	Jan. 18,'05	....	....	....
" So. & N. Ala. si'fd. g. 6s	1910	1,942,000	A & O	110	Mar. 23,'02	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	98⅝	Oct. 26,'04	....	....	....
Manhattan Railway Con. 4's	1990	28,065,000	A & O	104½	May 31,'05	104⅝	104	74,000
" registered			A & O	104	Apr. 5,'05	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	108	May 24,'05	108	108	1,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Mexican Central, con. mtge. 4's	1911	65,690,000	J & J	75⅛	May 27,'05	77	75	145,000
" 1st con. inc. 3's	1939	20,511,000	JULY	19	May 26,'05	22½	19	197,000

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• 2d 3's	1939	11,724,000	JULY	12	May 31,'05	13	11	123,000
• equip. & collat. g. 5's	1917	550,000	A & O	....	....	....	....	....
• 2d series g. 5's	1919	665,000	A & O	....	....	....	....	....
• col.trust g.4½'s1st se of	1907	10,000,000	F & A	96	May 18,'05	96	95½	10,000
Mexican Internat'l 1st con g. 4's,	1977	3,862,000	M & S	90⅝	July29,'01	....	....	....
• stamped gtd		3,621,000	......	....	....	....	....	....
Mexican Northern 1st g. 6's	1910	999,000	J & D	....	....	....	....	....
• registered			J & D	105	May 2,19'	....	....	....
Minneapolis & St. Louis 1st g. 7's.	1927	950,000	J & D	142	Dec. 7,'03	....	....	....
• Iowa ext. 1st g. 7's	1909	1,015,000	J & D	111⅝	Jan. 31,'05	....	....	....
• Pacific ext. 1st g. 6's	1921	1,382,000	J & A	120¼	Apr. 19,'05	....	....	....
• Southw. ext. 1st g. 7's	1910	636,000	J & D	113¼	Mar. 10,'05	....	....	....
• 1st con. g. 5's	1934	5,000,000	M & N	117	Mar. 29,'05	....	....	....
• 1st & refunding g. 4's	1949	9,350,000	M & S	97⅛	May 26,'05	97⅝	96	24,000
DesMoines&Ft.Dge1stgtd g.4's.	1935	3,072,000	J & J	98	Mar. 27.'05	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's.	1938	32,055,000	J & J	101½	May 15,'05	101½	101	25,000
• stamped pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's.	1926	8,209,000	J & J	103	Nov.11.'01	....	....	....
• stamped pay. of int. gtd.				89¾	June 18.'91	....	....	....
Missouri, K. & T. 1st mtge g. 4's.	1990	40,000,000	J & D	104	May 31,'05	104¼	102	84,000
• 2d mtge. g. 4's	1990	20,000,000	F & A	86	May 31.'05	86	84¾	200.000
• 1st ext gold 5's	1944	3.254,000	M & N	105¾	May 31,'05	105¾	104	103,000
St. Louis div. 1st refundg 4s	2001	1,892,000	A & O	91⅛	Apr. 27,'05	....	....	....
Dallas & Waco 1st gtd. g. 5's	1940	1.340,000	M & N	105¼	Dec. 22,'04	....	....	....
Kan. City & Pac. 1st g. 4s	1990	2,500,000	F & A	95	Apr. 25,'05	....	....	....
Mo., Kan. & East. 1st gtd. g. 5s.	1942	4,000,000	A & O	112¼	May 15.'05	112¼	112⅛	2,000
Mo., Kan. & Ok. 40 yr. 1st gtd.5s.	1942	5,468,000	M & N	106	May 9.'05	106	105⅞	15,000
Mo., K. & Tex. of Tex. 1stgtd.g.5s	1942	4,505,000	M & S	108	May 31.'05	108	106	198,000
Sher., Shreve. & So. 1st gtd.g.5s.	1943	1,689,000	J & D	107⅛	Feb. 24,'05	....	....	....
Tex. & Ok. 40 yr. 1st gtd. g. 5s	1943	2,347,000	M & S	106	May 31,'05	106	106	10.000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	122⅝	May 25,'05	122⅝	122⅛	6,000
• 3d mortgage 7's	1906	3,828,000	M & N	104⅛	May 26,'05	104⅛	103¾	14,000
• trusts gold 5's stamp'd	1917	14,376,000	M & S	107	May 25,'05	107¼	106½	66,000
• registered			M & S	....	....	....	....	....
• 1st collateral gold 5's.	1920	9,636,000	F & A	108¼	May 22,'05	108¼	107¾	45,000
• registered			F & A	....	....	....	....	....
Cent. Branch Ry. 1st gtg. g. 4's.	1919	3,459,000	F & A	96	May 26,'05	97	96	10,000
Leroy & Caney Val. A. L. 1st 5's.	1926	520,000	J & J	110	Mar. 13,'05	....	....	....
Pacific R. of Mo. 1st m. ex. 4's.	1938	7.000,000	M & S	105	May 23,'05	105	104¾	9,000
• 2d extended g. 5's	1938	2,573,000	F & A	117⅛	May 25,'05	117⅛	117⅛	1,000
St. L. & I. g. con. R.R.&l.gr. 5's	1931	36,709,000	A & O	116⅛	May 31,'05	117	116⅝	43,000
• stamped gtd gold 5's	1931	6,532,000	A & O	109¾	Oct. 21,'03	....	....	....
• unify'g & rfd'g g. 4's.	1929	30,347,000	J & J	95¾	May 31.'05	96	94¼	85,000
• registered			J & J	87¼	Apr. 23.'04	....	....	....
• Riv&Gulf divs 1stg 4s.	1933	18,734,000	M & N	94¾	May 29,'05	94¾	94	89,000
Verdigris V'y Ind. & W. 1st 5's.	1926	750,000	M & S	....	....	....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	111⅛	Mar. 8,04'	....	....	....
• small		226,000	J & J	90	Feb. 4,'03	....	....	....
• mtg. g. 4's	1945	700,000	J & J	93¼	Apr. 6.'05	....	....	....
• small		500,000	......	94	Aug. 6.'04	....	....	....
Mob. Jackson&Kan.City 1stg.5's.	1946	1,882,000	J & D	96¾	May 26,'05	96¾	95⅛	50,000
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	128¾	May 31,'05	129	128	6,500
• 1st extension 6's	1927	974.000	J & D	124	Apr. 12,'05	....	....	....
• gen. g. 4's	1938	9,472,000	Q J	96⅛	May 12,'05	97⅛	96½	4,000
• Montg'rydiv.1st g.5's.	1947	4.000.000	F & A	114¾	Apr. 20,'05	....	....	....
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	101	Nov. 9,'04	....	....	....
• collateral g. 4's	1930	2,494,000	Q F	95	Feb. 20,'05	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	122⅛	May 17,'05	122⅛	122⅛	5,000
• 1st cons. g. 5's	1928	7,566,000	A & O	114¼	May 17,'04	114¼	114¼	2,000
• 1st g.6's Jasper Branch.	1923	371,000	J & J	121	Apr. 19,'05	....	....	....
• 1st 6's McM. M.W. & Al.	1917	750,000	J & J	117¼	Mar. 6,'05	....	....	....
• 1st 6's T. & Pb	1917	300,000	J & J	113	July 6,'99	....	....	....
Nat R.R. of Mex. priorlien g.4½'s.	1926	20,000,000	J & J	105⅛	May 11,'05	105⅛	105⅛	1,000
• 1st con. g. 4's	1951	22,000,000	A & O	80	May 25,'05	80⅛	79¾	65,500
N. O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108¼	Aug.13,'94	....	....	....
N.Y. Cent. & Hud. R. g. mtg. 3½s.	1997	75,946,000	J & J	100¾	May 31,'05	100¾	100	269,000
• • registered			J & J	100	Apr. 27,'05	....	....	....
• debenture g. 4's	1890-1905	5,094,000	J & D	100¾	Feb. 8,'05	....	....	....
• registered			J & D	99	Dec. 12,'02	....	....	....
• deb. g 4s	1934	30,000,000	M & N	101	May 29,'05	101	100¼	214.000
• • registered			M & N	....	....	....	....	....
Lake Shore col. g. 3½s	1998	90,578,000	F & A	91⅜	May 31,'05	92	91	132,000
• registered			F & A	90	May 25,'05	90⅛	89¼	23,000
Michigan Central col. g. 3½s.	1998	19,336,000	F & A	89¾	May 31,'05	91⅛	89⅛	29,000
• registered			F & A	89⅛	May 26,'05	89½	89½	2,000
Beech Creek 1st. gtd. 4's	1936	5,000,000	J & J	107½	Feb. 2,'05	....	....	....
• registered			J & J	102	Mar. 31,'03	....	....	....

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• 2d gtd. g. 5's	1936	500,000	J & J					
• registered			J & J					
• ext. 1st. gtd. g. 3½'s	1951	3,500,000	A & O					
• registered			A & O					
Carthage & Adiron. 1st gtd g. 4's	1981	1,100,000	J & D					
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd. g. 4's ser. A.	1940	716,000	J & J	87½	June 23,'04			
• small bonds series B		33,000	J & J					
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D					
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	107½	July 6,19'			
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	105	Oct. 10,'02			
• reg. certificates			F & A					
N. Y. & Putnam 1st con. gtd g. 4's	1993	4,000,000	A & O	106	Mar. 2,'05			
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O					
West Shore 1st guaranteed 4's	2361	50,000,000	J & J	109½	May 29,'05	109½	108¾	44,000
• registered			J & J	108½	May 26,'05	109	108¼	38,000
Lake Shore g 3½s	1997	50,000,000		100½	May 31,'05	102	100½	34,000
• registered			J & D	99½	May 24,'05	101¼	99½	21,000
• deb. g. 4's	1928	40,000,000	M & S	101¼	May 31,'05	101¼	100	392,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	102	May 22,'05	102	102	1,000
Kal., A. & G. R. 1st gtd c. 5's	1938	840,000	J & J					
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	124	May 22,'05	124	124	5,000
Pitt McK'port & Y. 1st gtd 6's	1932	2,250,000	J & J	139	Jan. 21,'03			
• 2d gtd 6's	1934	900,000	J & J					
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J					
Michigan Cent. 6's	1909	1,500,000	M & S	109⅝	Apr. 19,'04			
• 5's	1931	3,576,000	M & S	124	Feb. 3,'05			
• 5's reg	1931		Q M	120	Mar. 9,'05			
• 4's	1940	2,600,000	J & J	106¼	June 9,'04			
• 4's reg			J & J	106½	Nov. 26,19'			
• g. 3½'s sec. by 1st mge. on J. L. & S		1,900,000	M & S					
• 1st g. 3½'s	1952	13,000,000	M & N	96¼	May 26,'04			
Battle C. Sturgis 1st g. g. 3's	1989	476,000	J & D					
N. Y. & Harlem 1st mort. 7's c	1900	12,000,000	M & N	105⅛	Mar. 2,'05			
• 7's registered	1900		M & N	102¾	Apr. 6,19'			
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	119½	Mar. 31,'05			
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	117⅝	May 18,'05	117⅝	117½	19,000
coup. g. bond currency			A & O					
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	113¾	Jan. 25,'02			
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N					
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	107⅛	Feb. 4,'05			
N. Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	104½	May 29,'05	104½	104	13,000
• registered			A & O	101	Mar. 28,'03			
N. Y., N. Haven & Hartford.								
Housatonic R. con. g. 5's	1987	2,838,000	M & N	131¾	Apr. 29,'03			
New Haven and Derby con. 5's	1918	575 000	M & N	115½	Oct. 15,'94			
N. Y., Ont. & W'n. ref'ding 1st g. 4's	1992	20,000,000	M & S	103¾	May 26,'05	104	103	155,000
• registered.......$5,000 only.			M & S	103⅛	Jan. 17,'05			
Norfolk & Southern 1st g. 5's	1941	1,590,000	M & N	111¼	Feb. 6,'05			
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	133½	Jan. 23,'05			
• imp'ment and ext. 6's	1934	5,000,000	F & A	132⅛	May 16,'05	132½	132½	5,000
• New River 1st 6's	1932	2,000,000	A & O	132½	Dec. 28,'04			
Norfolk & West. Ry. 1st con. g. 4s	1996	39,710,500	A & O	101⅛	May 31,'05	102½	101¼	150,500
• registered			A & O	99¾	June 18,'03			
• small bonds			A & O					
• div. 1st lien & gen g. 4s	1944	8,000,000	J & J	100⅛	May 27,'05	100¼	100⅛	14,000
• • registered			J & J					
• Pocahon C. & C. Co. jt. 4's	1941	20,000,000	J & D	97¼	May 26,'05	97⅞	96¾	89,000
• C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	109½	Feb. 20,'05			
• Sci'o Val & N. E. 1st g. 4's	1989	5,000,000	J & N	101	May 26,'05	101	100	17,000
N. P. Ry prior ln ry. & ld. gt. g. 4's	1997	101,392,500	Q J	105½	May 31,'05	105¾	105⅛	401,500
• registered			Q J	104	May 24,'05	105¼	104	12,000
• gen. lien g. 3's	2047	56,000,000	Q F	76	May 25,'05	77½	75½	246,000
• registered			Q F	74½	May 11,'05	74½	74½	4,000
St. Paul & Duluth div. g. 4's	1996	7,897,000	J & D	100	Mar. 24,'05			
• registered			J & D					
St. Paul & N. Pacific gen g. 6's	1923	7,985,000	F & A	125½	Apr. 24,'05			
• registered certificates			Q F	132	July 28,'98			
St. Paul & Duluth 1st 5's	1931	1,000,000	F & A	112¼	July 21,'03			
• 2d 5's	1917	2,000,000	A & O	108	Apr. 26,'05			
• 1st con. g. 4's	1968	1,000,000	J & D	100¼	Apr. 12,'05			
Washington Cen. Ry 1st g. 4's	1948	1,538,000	QMCH	92½	Apr. 14,'05			
Nor Pacific Term. Co. 1st g. 6's	1933	3,587,000	J & J	116	Jan. 30,'05			
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	118¼	Feb. 2,'05			
• gen. mortg. g 6's	1937	2,428,000	A & O	111¼	Apr. 25,'05			
Ozark & Cher. Cent. Ry. 1st gtd g 5s	1913	2,880,009	A & O	100¼	May 25,'05	100¼	100¼	2,000
Pacific Coast Co. 1st g. 5's	1946	4,446,000	J & D	114	Apr. 18,'05			

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Panama 1st sink fund g. 4½'s	1917	2,371,000	A & O	103	Apr. 11,'05			
" s. f. subsidy g 6's	1910	715,000	M & N	102	Apr. 14,'02			
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	111	May 23,'05	111	110¾	6,000
" reg	1921		J & J	106	Jan. 13,'05			
" gtd. 3½ col. tr. reg. cts.	1937	4,843,000	M & S	98	July 16,'04			
" gtd. 3½ col. tr. cts. ser B	1941	9,687,000	F & A	94	Mar. 6,'05			
" Trust Co. ctfs. g. 3½'s.	1916	15,998,000	M & N	97	May 4,'05	97	97	2,000
" gtd. g. 3½'s tr. cts. s. C.	1942	5,000,000	J & D					
" gtd. g. 3½'s tr. cts. s. D.	1944	10,000,000	J & D					
Chic., St. Louis & P. 1st c. 5's	1932	1,506,000	A & O	117⅞	May 16,'05	117⅞	117⅞	2,000
" registered			A & O	110	May 3,'92			
Cin., Leb. & N. 1st con. gtd. g. 4's.	1942	900,000	J & J					
Clev. & P. gen. gtd. g. 4½'s Ser. A.	1942	3,000,000	J & J	108¼	Aug. 21,'03			
" Series B	1942	1,561,000	A & O					
" " int. reduc. 3½ p.c.		439,000						
" Series C 3½s	1948	3,000,000	M & N					
" Series D 3½s	1950	1,990,000	F & A	96	Jan. 8,'04			
E. & Pitts. gen. gtd. g. 3½s Ser. B.	1940	2,240,000	J & J	102	Nov. 7,19'			
" " " C.	1940	2,218,000	J & J	98¾	Apr. 4,'04			
Newp. & Cin. Bge Co. gtd g. 4's.	1945	1,400,000	J & J					
Pitts., C. C. & St. L. con. g 4½'s.								
" Series A	1940	10,000,000	A & O	114½	Jan. 24,'05			
" Series B gtd	1942	8,786,000	A & O	112½	Apr. 10,'05			
" Series C gtd	1942	1,379,000	M & N	110	Aug. 17,'01			
" Series D gtd. 4's	1945	4,983,000	M & N	104½	Oct. 6,'04			
" Series E gtd. g. 3½s	1949	10,257,000	F & A	93	May 25,'05	93	93	1,000
" Series F c. gtd. g. 4's	1953	9,000,000	J & D					
Pitts., Ft. Wayne & C. 1st 7's	1912	2,219,000	J & J	127⅝	Oct. 21,'02			
" 2d 7's	1912	1,918,000	J & J	121	Mar. 4,'03			
" 3d 7's	1912	2,000,000	A & O	119	Apr. 11,'04			
Tol Walhonding Vy. & O. 1st gtd. bds								
4½'s series A	1931	1,500,000	J & J					
" 4½'s series B	1933	978,000	J & J					
" 4's series C	1942	1,453,000	M & S					
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	M & N	107	Feb. 28,'05			
con. sterling gold 6 per cent	1905	22,762,000	J & J					
con. currency, 6's registered	1905	4,718,000	Q M 15					
con. gold 5 per cent	1919	4,998,000	M & S	111½	Sept. 21,'04			
" registered			Q M					
con. gold 4 per cent	1943	2,769,000	M & N	106	Aug. 28,'03			
" ten year conv. 3½'s	1912	20,523,000	M & N	101⅞	May 31,'05	103	101⅞	590,500
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	110	Aug. 28,19'			
Belvedere Del. con. gtd. 3½'s	1943	1,000,000	J & J					
Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	110	Jan. 19,'05			
Del. R. RR. & Bge Co 1st gtd g. 4's	1936	1,300,000	F & A					
G. R. & Ind. Ex. 1st gtd. g 4½'s	1941	4,455,000	J & J	111½	May 16,'05	111½	111½	2,000
Phila. Balto. & Wash. 1st g. 4's.	1943	10,570,000	M & N	106¾	May 6,'05	106¾	106¾	1,000
" registered			M & N					
Pitts. Va. & Charl. Ry 1st gtd g. 4's.	1943	6,000,000	M & N					
Sunbury & Lewistown 1st g. 4's.	1936	500,000	J & J					
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	110½	Sept. 28,04'			
Peoria & Pekin Union 1st 6's	1921	1,495,000	Q F	123⅛	Jan. 18,'05			
" 2d m 4½'s	1921	1,499,000	M & N	101	July 8,'04			
Pere Marquette.								
Chic. & West Mich. Ry. 5's	1921	5,753,000	J & D	109	Apr. 28,'02			
Flint & Pere Marquette g. 6's	1920	3,999,000	A & O	120	May 26,'05	120½	120	7,000
" 1st con. gold 5's	1939	2,850,000	M & N	112¾	May 24,'05	112¾	112¾	1,000
" Port Huron d 1st g 5's	1939	3,325,000	A & O	114	May 24,'05	114¾	114	5,000
Sag'w Tusc. & Hur. 1st gtd. g. 4's.	1931	1,000,000	F & A					
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93			
Pittsburg, Junction 1st 6's	1922	478,000	J & J	120	Oct. 11,'01			
Pittsburg & L. E. 2d g. 5's ser. A.	1928	2,000,000	A & O	112½	Dec. 13,'93			
Pitts., Shena'go & L. E. 1st g. 5's.	1940	3,000,000	A & O	120	Mar. 8,'05			
" 1st cons. 5's.	1943	408,000	J & J	87¾	Jan. 12,19'			
Pittsburg, Y & Ash. 1st cons. 5's.	1927	1,562,000	M & N	116	May 24,'05	116	116	1,000
Reading Co. gen. g. 4's	1997	66,232,000	J & J	103⅛	May 31,'05	103¼	101⅞	505,000
" registered.			J & J	100	Jan. 27,'05			
" Jersey Cent. col. g. 4's.	1957	23,000,000		99¾	May 31,'05	99¾	99½	94,000
" " registered								
Atlantic City 1st con. gtd. g. 4's.	1951	1,063,000	M & N					
Philadelphia & Reading con. 6's.	1911	7,304,000	J & D	113¼	Feb. 25,'05			
" registered		663,000	J & D					
" 7's	1911	7,310,000	J & D	119¾	Apr. 2,'04			
" " registered		3,339,000	J & D	118	Jan. 7,'05			
Rio Grande Junc'n 1st gtd. g. 5's.	1939	2,000,000	J & D	109	Mar. 11,'05			
Rio Grande Southern 1st g. 4's.	1940	2,233,000	J & J	75¼	Mar. 24,'05			
" guaranteed		2,277,000		89	Jan. 4,'05			

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Rutland RR 1st con. g. 4½ s....1941	2,440,000	J & J	103¾	May 10,'04	....	....	....
Ogdnsb.&L.Ch'n.Ry.1st gtd g4s1948	4,400,000	J & J	....		....	....	....
Rutland Canadian 1stgtd.g.4's.1949	1,350,000	J & J	101¼	Nov.18,'01	....	....	....
St. Jo. & Gr. Isl. 1st g. 3.342........1947	3,500,000	J & J	96	May 23,'05	96	94	11,000
St. L. & Adirondack Ry. 1st g.5's.1996	800,000	J & J	....		....	....	....
" 2d g. 6's...............1996	400,000	A & O	....		....	....	....
St. Louis & San F. 2d 6's, Class B, 1906	998,000	M & N	102	May 16,'05	102	102	1,000
" 2d g. 6's, Class C......1906	829,000	M & N	104⅛	Feb. 21,'05	....	....	....
" gen. g. 6's...........1931	3,681,000	J & J	131	May 26,'05	132	131	19,000
" gen. g. 5's............1931	5,803,000	J & J	115¼	May 23,'05	115¼	115¼	10,000
St. L & San F. R. R. con. g. 4's.1996	1,558,000	J & D	100¼	May 9,'05	100¼	100¼	1,000
" S. W. div. g. 5's........1947	829,000	A & O	101	May 5,'05	101	101	2,000
" refunding g. 4's.......1951	58,997,000	J & J	90¾	May 31,'05	90¾	89⅛	490,000
" " registered...		J & J	....		....	....	....
" 5 year 4½'s gold notes.1908	5,728,000	J & D	96	Dec. 8,'04	....	....	....
Kan. Cy Ft.S.&MemRRcong6's1928	13,736,000	M & N	126½	Jan. 23,'05	....	....	....
Kan.Cy Ft.S &MRyrefggtd g4s.1936	16,853,000	A & O	88¾	May 31,'05	89	88¼	102,000
" registered..............		A & O	78⅛	Jan. 14,'04	....	....	....
Kan.Cy&M.R.&B.Co.1stgtdg5s.1929	3,000,000	A & O	....		....	....	....
St. Louis S. W. 1st g. 4's Bd. ctfs., 1989	20,000,000	M & N	98	May 31,'05	98¼	96⅛	145,000
" 2d g. 4's inc. Bd. ctfs....1989	3,272,500	J & J	86	May 24,'05	87½	86	38,000
" con. g. 4's.... 1932	15,178,000	J & D	83¼	May 31,'05	83⅛	82	326,000
Gray's Point, Term. 1st gtd. g. 5's. 1947	339,000	J & D	....		....	....	....
St. Paul, Minn. & Manito'a 2d 6's..1909	6,932,000	A & O	108⅛	May 19,'05	108⅛	108⅝	15,000
" 1st con. 6's...........1933	13,344,000	J & J	137	May 9,'05	137	137	5,000
" 1st con. 6's, registered....		J & J	140	May 14,'02	....	....	....
" 1st c. 6's, red'd to g. 4½'s...	19,322,000	J & J	111¾	May 6,'05	111¾	111⅝	6,000
" 1st cons. 6's register'd....		J & J	115¼	Apr. 15,'01	....	....	....
" Dakota ext'n g. 6's...1910	5,284,000	M & N	110½	May 19,'05	110½	110½	10,000
" Mont. ext'n 1st g. 4's..1937	10,185,000	J & D	105	Apr. 17,'05	....	....	....
" registered...............		J & D	106	May 6,'01	....	....	....
" Pac. Ext. sterl. gtd. 4s..1940 $5=£1.	£4,000,000	J & J	....		....	....	....
Eastern R'y Minn, 1std. 1st g. 5's..1908	4,700,000	A & O	104¾	Mar. 8,'05	....	....	....
" registered...............		A & O	....		....	....	....
" Minn. N. div. 1st g. 4's..1940	5,000,000	A & O	....		....	....	....
" registered...............		A & O	....		....	....	....
Minneapolis Union 1st g. 6's....1922	2,150,000	J & J	124	May 4,'05	124	124	4,000
Montana Cent. 1st 6's int. gtd..1937	6,000,000	J & J	135	Jan. 25,'05	....	....	....
" 1st 6's, registered.........		J & J	134¾	Dec. 20,'04	....	....	....
" 1st g. g. 5's........... 1937	4,000,000	J & J	118⅛	Feb. 20,'05	....	....	....
" registered...............		J & J	....		....	....	....
Willmar & Sioux Falls 1st g. 5's, 1938	3,625,000	J & D	117	Jan. 11,'04	....	....	....
" registered...............		J & D	....		....	....	....
Salt Lake City 1st g. s. f. 6's......1913	297,000	J & J	....		....	....	....
San Fe Pres.& Phoe.Ry.1st g.5's. 1942	4,940,000	M & S	110	Jan. 7,'04	....	....	....
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	108	May 10,'05	108	108	2,000
Seaboard Air Line Ry g. 4's......1950	12,775,000	A & O	85⅛	May 29,'05	86	85	79,000
" registered...............		A & O					
" col. trust refdg g. 5's..1911			....		....	....	....
Carolina Central 1st con. g. 4's.1949	10,000,000	M & N	102⅝	May 26,'05	102⅛	102	12,000
Fla Cent & Peninsular 1st g.5's.1918	2,847,000	J & J	99	Mar. 20,'05	....	....	....
" 1st land grant ext g.5's.1930	3,000,000	J & J	109	Feb. 2,'05	....	....	....
" cons. g. 5's.............1943	410,000	J & J	....		....	....	....
Georgia & Alabama 1st con.5's.1945	4,370,000	J & J	109¼	Mar. 3,'05	....	....	....
Ga. Car. & Nthern 1st gtd g. 5's.1929	2,922,000	J & J	112	May 29,'05	112	111½	2,000
Seaboard & Roanoke 1st 5's....1926	5,360,000	J & J	110	Jan. 16,'05	....	....	....
Sodus Bay & Sout'n 1st 5's, gold, 1924	2,500,000	J & J	....		....	....	....
Southern Pacific Co.	500,000	J & J	102	Jan. 20,'03	....	....	....
" 2-5 year col. trust g. 4½'s.1905	30,000,000	J & D	102	May 23,'05	102	101⅝	14,000
" g. 4's Central Pac. coll..1949	28,818,500	J & D	95¼	May 29,'05	95⅝	94¾	816,500
" " registered......		J & D	94	May 4,'05	94	94	2,000
Austin & Northw'n 1st g. 5's...1941	1,920,000	J & J	109¼	Feb. 3,'05	....	....	....
Cent. Pac. 1st refud. gtd. g. 4's..1949	76,351,000	F & A	101½	May 31,'05	101¾	101	174,000
" registered...............		F & A	98	Apr. 7,'05	....	....	....
" mtge. gtd. g. 3½'s...1929	17,493,000	J & D	90	May 19,'05	90	89½	4,500
" " registered........		J & D	....		....	....	....
" throughSListgtdg.4's.1954	8,300,000	A & O	....		....	....	....
" registered............		A & O	....		....	....	....
Gal. Harrisb'gh & S.A. 1st g 6's..1910	4,756,000	F & A	108½	Mar. 1,'05	....	....	....
" 2d g 7's.............. 1905	1,000,000	J & D	103	Sept. 20,'04	....	....	....
" Mex. & P. div 1st g 5's.1931	13,418,000	M & N	115	Feb. 24,'05	....	....	....
Gila Val.G.& N'n 1st gtd g 5's.1924	1,514,000	M & N	110	Apr. 4,'05	....	....	....
Houst. E. & W. Tex. 1st g. 5's..1933	501,000	M & N	105¼	Jan. 27,'05	....	....	....
" 1st gtd. g. 5's........1933	2,199,000	M & N	107¼	Feb. 20,'05	....	....	....
Houst. & T.C. 1st g 5's int. gtd..1937	5,092,000	J & J	112	May 23,'05	112	111	11,000

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• con. g 6's int. gtd.	1912	2,430,000	A & O	113	Dec. 15,'04			
• gen. g 4's int. gtd.	1921	4,275,000	A & O	100	May 17,'05	100	99½	42,000
• W&Nwn.div.1st.g.6's.	1930	1,105,000	M & N	127⅛	Feb. 27,'02			
Louisiana Western 1st 6's	1921	2,240,000	J & J					
Morgan's La & Tex. 1st g 6's	1920	1,494,000	J & J	122	Dec. 6,'04			
• 1st 7's	1918	5,000,000	A & O	129½	Nov. 5,'04			
N. Y. Tex. & Mex. gtd. 1st g 4's.	1912	1,465,000	A & O					
Nth'n Ry of Cal. 1st gtd. g. 6's.	1907	3,964,000	J & J	106	Sept. 14,'04			
• gtd. g. 5's		4,751,000	A & O	113	Jan. 4,'01			
Oreg. & Cal. 1st gtd. g 5's	1927	18,631,000	J & J	101	May 26,'05	101	101	1,000
San Ant. & Aran Pass 1st gtd g 4's.	1943	17,544,000	J & J	89⅝	May 29,'05	90	89	86,000
South'n Pac. of Ariz. 1st 6's	1909	6,000,000	J & J	108¼	Apr. 14,'05			
• • •	1910	4,000,000	J & J	109⅝	Jan. 6,'05			
• of Cal. 1st g 6's ser. B.	1905	16,738,500	A & O	102¼	Mar. 8,'04			
• • • C. & D.	1906		A & O	104⅛	Dec. 22,'04			
• • • E. & F.	1902		A & O	115	Mar. 17,'05			
• • •	1912		A & O	116	June 29,'04			
• 1st con. gtd. g 5's	1937	6,809,000	M & N	119	Feb. 2,'04			
• stamped	1905-1937	21,470,000		109⅝	Apr. 24,'05			
So. Pacific Coast 1st gtd. g. 4's.	1937	5,500,000	J & J					
• of N. Mex. c. 1st 6's.	1911	4,180,000	J & J	109⅛	Feb. 23,'05			
Tex. & New Orleans 1st 7's	1905	862,000	F & A	103	Oct. 3,'04			
• Sabine div. 1st g 6's	1912	2,575,000	M & S	112⅛	Feb. 24,'05			
• con. g 5's	1943	1,620,000	J & J	108⅛	Mar. 4,'05			
Southern Railway 1st con. g 5's.	1994	41,177,000	J & J	119⅞	May 31,'05	120	118⅞	149,000
• registered			J & J	110	Feb. 29,'04			
Mob. & Ohio collat. trust g. 4's.	1938	8,029,000	M & S	97⅛	May 31,'05	98⅛	97¼	26,000
• registered			M & S					
• Memph. div. 1st g. 4-4½-5's.	1996	5,183,000	J & J	118	Apr. 24,'05			
• registered			J & J					
• St. Louis div. 1st g. 4's	1951	11,750,000	J & J	99¾	May 19,'05	99¾	99¼	14,000
• • registered			J & J					
Alabama Central, 1st 6's	1918	1,000,000	J & J	117⅛	Mar. 20,'05			
Atlantic & Danville 1st g. 4's.	1948	3,925,000	J & J	98⅛	Mar. 8,'05			
• 2d mtg	1948	775,000	J & J	90⅛	Dec. 6,'04			
Atlantic & Yadkin, 1st gtd g 4s.	1949	1,500,000	A & O					
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	116⅛	May 8,'05	116⅛	116½	1,000
East Tenn., Va. & Ga. div. g. 5's.	1930	3,106,000	J & J	116	May 11,'05	116	116	4,000
• con. 1st g 5's	1956	12,770,000	M & N	120½	May 26,'05	120½	119½	6,000
• reorg. lien g 4's	1938	4,500,000	M & S	114	Mar. 10,'05			
• registered			M & S					
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	125	May 17,'05	125	125	4,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	127	Apr. 3,'05			
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	116¾	May 26,'05	116¾	116¾	1,000
• deb. 5's stamped	1927	3,368,000	A & O	112⅝	Jan. 24,'05			
Rich. & Mecklenburg 1st g. 4's.	1948	315,000	M & N	98	Feb. 18,'05			
South Caro'a & Ga. 1st g. 5's	1919	5,250,000	M & S	108⅛	May 9,'05	108⅛	108	3,000
Vir. Midland serial ser. A 6's.	1906	600,000	M & S	103	Mar. 29,'04			
• small			M & S					
• ser. B 6's	1911	1,900,000	M & S	112⅛	Jan. 6,'03			
• small			M & S					
• ser. C 6's	1916	1,100,000	M & S	123	Feb. 8,'02			
• small			M & S					
• ser. D 4-5's	1921	950,000	M & S	110	Dec. 22,'04			
• small			M & S					
• ser. E 5's	1926	1,775,000	M & S	114	Jan. 11,'05			
• small			M & S					
• ser. F 5's	1931	1,310,000	M & S	113	May 31,'05	113	113	2,000
Virginia Midland gen. 5's	1936	2,392,000	M & N	114⅛	May 31,'05	114⅛	114½	2,000
• gen. 5's. gtd. stamped	1926	2,466,000	M & N	110⅛	May 10,'04			
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	97¾	May 15,'05	97¾	97¾	10,000
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	116⅛	Mar. 16,'05			
Spokane Falls & North. 1st g. 6's.	1939	2,812,000	J & J	117	July 25,'19'			
Staten Isl. Ry. N.Y. 1st gtd. g. 4½'s.	1943	500,000	J & D	100	Nov. 22,'04			
Ter. R. R. Assn. St. Louis 1g 4½'s.	1939	7,000,000	A & O	111⅛	Apr. 20,'05			
• 1st con. g. 5's	1894-1944	5,000,000	F & A	121	Apr. 28,'05			
• gn. refdg. sg. fd. g. 4's.	1953	18,000,000	J & J	101	May 25,'05	101	101	2,000
• " " registered.			J & J					
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	112½	July 29,'04			
Tex. & Pacific, 1st gold 5's	2000	25,000,000	J & D	123¼	May 23,'05	123⅝	123	26,000
• 2d gold income. 5's	2000	963,000	MAR.	94	May 24,'05	94	93¾	50,000
• La. Div. B.L. 1st g. 5's	1931	4,241,000	J & J	111⅝	Apr. 6,'05			
Weatherford Mine Wells & Nwn. Ry. 1st gtd. 5's	1930	500,000	F & A	106⅛	Nov. 7,'04			
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	112	Apr. 26,'04			
• 1st M. g 5's West. div	1935	2,500,000	A & O	111	May 31,'04			
• gen. g. 5's	1935	2,000,000	J & D	107	Sept. 8,'04			
• Kanaw & M. 1st g. g. 4's.	1990	2,469,000	A & O	96⅛	May 18,'05	96½	96⅛	9,000

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Toledo, Peoria & W. 1st g 4's	1917	4,800,000	J & D	94¼	May 13,'05	94¼	94¼	10,000
Tol., St.L.&Wn. prior lien g 3½'s	1925	9,000,000	J & J	91⅞	May 31,'05	91⅞	90⅞	118,000
• registered			J & J	....	....	....	....	....
• fifty years g. 4's	1925	6,500,000	A & O	83⅛	May 31,'05	84⅛	83	114,000
• registered			A & O	....	....	....	....	....
Toronto, Hamilton&Buff 1st g 4s	1946	3,280,000	J & D	98¼	May 23,'05	98¼	98¼	1,000
Ulster & Delaware 1st c. g 5's	1928	2,000,000	J & D	113	Apr. 4,'05	....	....	....
• 1st ref. g. 4's	1952	700,000	A & O	95¼	Jan. 13,'05	....	....	....
Union Pacific R. R. & ld gt g 4s	1947	100,000,000	J & J	106⅝	May 31,'05	106⅞	105⅛	508,500
• registered			J & J	106	May 31,'05	106	104¾	8,000
• 1st lien con. g. 4's	1911	33,044,000	M & N	124	May 31,'05	124	115	3,878,000
• registered			M & N	137¾	Apr. 15,'05	....	....	....
Oreg. R. R. & Nav. Co. con. g 4's	1946	21,482,000	J & D	104	May 26,'05	104	102½	30,000
Oreg. Short Line Ry. 1st g. 6's	1922	14,931,000	F & A	125⅝	May 23,'05	125⅝	125⅝	14,000
• 1st con. g. 5's	1946	12,328,000	J & J	119	May 22,'05	119⅞	119	10,000
• gtd. refunding g. 4's	1929	45,000,000	J & D	98	May 29,'05	98½	97¼	513,000
• • registered			J & D	....	....	....	....	....
Utah & Northern 1st 7's	1908	4,993,000	J & J	112	Dec. 30,'03	....	....	....
• g. 5's	1926	1,8[illegible]2,000	J & J	114½	Apr. 19,'02	....	....	....
Vandalia R. R. con. g. 4's	1955	7,000,000	F & A	104¼	May 16,'05	104¼	104⅛	117,000
• registered			F & A	....	....	....	....	....
Virginia & S'western 1st gtd. 5's	2003	2,000,000	J & J	110	Mar. 1,'05	....	....	....
Wabash R.R. Co., 1st gold 5's	1939	33,011,000	M & N	117⅛	May 31,'05	117⅝	116	123,000
• 2d mortgage gold 5's	1939	14,000,000	F & A	108½	May 29,'05	108½	107	59,000
• deben. mtg series A	1939	3,500,000	J & J	90	Feb. 4,'05	....	....	....
• series B	1939	26,500,000	J & J	74¼	May 31,'05	76¼	70	1,342,000
• first lien eqpt. fd. g. 5's	1921	2,600,000	M & S	102	May 2,'05	102	102	4,000
• 1st lien 50 yr. g. term 4's	1954	1,715,000	J & J	92	Apr. 17,'05	....	....	....
• 1st g. 5's Det. & Chi. ex	1940	3,349,000	J & J	112	May 31,'05	112	112	2,000
• Des Moines div. 1st g. 4s	1939	1,600,000	J & J	97	Nov. 16,'04	....	....	....
• Omaha div. 1st g. 3½s	1941	3,173,000	A & O	88	Apr. 6,'05	....	....	....
• Tol. & Chic. div. 1st g. 4's	1941	3,000,000	M & S	97	May 27,'05	97	95	21,000
St. L., K. C. & N. St. Chas. B. 1st 6's	1908	463,000	A & O	109½	Mar. 13,'03	....	....	....
Wabash Pitts Terml Ry 1st g. 4's	1954	27,000,000	J & D	95⅝	May 31,'05	95¾	94	900,000
• 2d g. 4's	1954	20,000,000	J & D	38¾	May 31,'05	40⅝	35	646,000
Western Maryland 1st 4's	1952	30,522,000	A & O	87¾	May 31,'05	89⅞	87¾	188,000
Western N.Y. & Penn. 1st g. 5's	1937	9,990,000	J & J	119	Apr. 7,'05	....	....	....
• gen g. 3-4's	1943	9,789,000	A & O	96¾	May 9,'05	96¾	96¾	15,000
• inc. 5's	1943	10,000,000	Nov.	40	Mar. 21,'01	....	....	....
West Va. Cent'l & Pitts. 1st g. 6's	1911	3,250,000	J & J	112	May 18,'05	112	112	1,000
Wheeling & Lake Erie 1st g. 5's	1926	2,000,000	A & O	114¾	Mar. 28,'05	....	....	....
• Wheeling div. 1st g. 5's	1928	894,000	J & J	114½	May 27,'05	114½	114½	1,000
• exten. and imp. g. 5's	1930	349,000	F & A	114¼	Mar. 16,'05	....	....	....
• 20 year eqptmt s.f. g. 5's	1922	2,152,000	J & J	102	Jan. 3,'05	....	....	....
Wheel. & L. E. RR. 1st con. g. 4's	1949	11,618,000	M & S	94½	May 31,'05	94¾	93½	144,000
Wisconsin Cen. R'y 1st gen. g. 4s	1949	23,743,000	J & J	94½	May 31,'05	94⅞	93½	145,000
Mil. & L. Winnebago 1st 6's	1912	1,430,000	J & J	....	....	....	....	....
Street Railway Bonds.								
Brooklyn Rapid Transit g. 5's	1945	6,625,000	A & O	109	May 12,'05	109	108¾	10,000
• 1st ref. conv. g. 4's	2002	17,000,000	J & J	87⅛	May 31,'05	88¼	86	480,000
• • registered			J & J	....	....	....	....	....
• City R. R. 1st c. 5's 1916	1941	4,373,000	J & J	108⅝	Nov. 17,'05	108⅝	108⅝	3,000
• Qu. Co. & S. c. gd. g. 5's	1941	2,255,000	M & N	106	Feb. 9,'05	....	....	....
• Union Elev. 1st. g. 4-5s	1950	16,000,000	F & A	110¾	May 27,'05	110¾	109½	139,000
• stamped guaranteed			......	100¾	July 15,'03	....	....	....
Kings Co. Elev. R. R. 1st g. 4's	1949	7,000,000	F & A	92½	May 26,'05	93	92¼	20,000
• stamped guaranteed			......	93½	May 29,'05	94	91½	361,000
Nassau Electric R. R. gtd. g. 4's	1951	10,474,000	J & J	88	May 27,'05	88	87½	69,000
City & Sub. R'y, Balt. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Conn. Ry. & Light g 1st & rfg. g 4½'s	1951	10,913,000	J & J	100¾	Apr. 11,'05	....	....	....
• stamped guaranteed			......	....	....	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	97½	June 13,19'	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....	....	....	....	....
Detroit Cit'ens St. Ry. 1st con. g. 5's	1905	5,485,000	J & J	103	Nov. 23,'01	....	....	....
Detroit United Ry 1st c. g. 4½'s	1932	3,450,000	J & J	95¾	May 22,'05	96½	95	13,000
Grand Rapids Ry 1st g. 5's	1916	2,750,000	J & D	....	....	....	....	....
Havana Elec. Ry. con. g. 5s	1952	6,957,000	F & A	93	May 26,'05	94	92⅞	40,000
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	109	Mar. 19,'03	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Metro. St. Ry N.Y. g. col. tr. g. 5's	1997	12,500,000	F & A	115	May 27,'05	115	114	21,000
• refunding 4's	2002	15,134,000	A & O	90	May 31,'05	90¼	90	68,000
B'way & 7th ave. 1st con. g. 5's	1943	7,630,000	J & D	119¼	May 19,'05	119¼	119¼	4,000
• registered			J & D	119½	Dec. 3,19'	....	....	....

BOND QUOTATIONS.—Last sale, price and date: highest and lowest prices and total sales for the month.

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NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	MAY SALES. High.	Low.	Total.
Columb.& 9th ave.1st gtd g 5's, 1993	3,000,000	M & S	120½	May 25,'05	120½	120½	2,000
" registered........................		M & S	....		....	....	....
Lex ave & Pav Fer 1st gtd g 5's, 1993	5,000,000	M & S	120½	Mar. 28,'05	....	....	....
" registered........................		M & S	....		....	....	....
Third Ave. R.R. 1st c.gtd.g.4's..2000	36,943,000	J & J	95⅝	May 29,'05	96⅛	95½	60,000
" registered........................		J & J	....		....	....	....
Third Ave. R'y N.Y. 1st g 5's...1937	5,000,000	J & J	118¼	Apr. 24,'05	....	....	....
Met. West Side Elev.Chic.1st g.4's.1938	9,808,000	F & A	104¾	Mar. 24,'05	....	....	....
" registered........................		F & A	....		....	....	....
Mil.Elec.R.&Light con.30yr.g.5's.1926	6,500,000	F & A	106	Oct. 27,'99	....	....	....
Minn. St. R'y (M. L. & M.) 1st con. g. 5's......................1919	4,050,000	J & J	106	Nov. 22,'01	....	....	....
St.Jos.Ry.Lig't,Heat&P.1st g.5's.1937	3,763,000	M & N	....		....	....	....
St. Paul City Ry.Cable con.g.5's.1937	2,480,000	J&J15	110	July, 8'04	....	....	....
" gtd. gold 5's...........1937	1,138,000	J & J	112	Nov.28,'99	....	....	....
Undergr'd Elec.Rys.of London Ltd.	16,550,000	J & D	100¼	May 31,'05	100¼	99	290,500
5% profit sharing notes 1908 series A		J & D	....		....	....	....
" series B		J & D	....		....	....	....
" series C		J & D	....		....	....	....
" series D		J & D	....		....	....	....
Union Elevated (Chic.) 1st g.5's.1945	4,387,000	A & O	109⅛	Dec. 14,'99	....	....	....
United Railways of St.L.1st g.4's.1934	28,292,000	J & J	89	May 4,'05	89¼	89	10,000
United R. R. of San Fr. s. fd. 4's...1927	20,000,000	A & O	88⅛	May 25,'05	88⅛	88	46,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....		....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	99	Dec. 28,'97	....	....	....

MISCELLANEOUS BONDS.

NAME. Principal Due.	Amount.	Int'st Paid.	Price.	Date.	High.	Low.	Total.
Adams Express Co. col. tr. g. 4's.1948	12,000,000	M & S	104	May 27,'05	104	103¼	22,000
Am.Steamship Co.of W.Va.g.5's 1920	5,062,000	M & N	100¾	June 4,'02	....	....	....
Bklyn.FerryCo.ofN.Y.1st c.g.5's.1948	6,500,000	F & A	55	May 16,'05	55	55	1,000
Chic.Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	107¾	Nov. 4,'03	....	...	....
Der. Mac.&Ma.ld.gt.3½'s sem.an.1911	1,655,000	A & O	74	Apr. 14,'05	....	....	....
Hackensack Water Co. 1st 4's....1952	3,000,000	J & J	....		....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Madison Sq. Garden 1st g.5's....1916	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim.gen. g. 4's.1940	1,300,000	M & N	50	Feb. 21,'02	....	....	....
Newport News Shipbuilding & Dry Dock 5's............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. Dock Co. 50 yrs. 1st g. 4's...1951	11,580,000	F & A	96	May 31,'05	96⅛	95⅞	25,500
" registered........................		F & A	....		....	....	....
Provident L. Soc. of N.Y. g.4's .1921	2,000,000	M & S	100	Mar. 20,'05	....	....	....
St.Joseph Stock Yards 1st g. 4½'s 1930	1,250,000	J & J	....		....	....	....
St. Louis Terml. Cupples Station. & Property Co. 1st g 4½'s 5-20..1917	3,000,000	J & D	....		....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	112	July 27,'04	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	113⅛	Dec. 18,19'	....	. ..	....
U. S. Mortgage and Trust Co. Real Estate 1st g col tr. bonds.							
Series E 4's................1907-1917	1,000,000	J & D	....		....	....	....
" F 4's................1908-1918	1,000,000	M & S	100	Mar. 15,19'	....	....	....
" G 4's................1903-1918	1,000,000	F & A	....		....	....	....
" H 4's................1903-1918	1,000,000	M & N	....		....	....	....
" I 4's................1904-1919	1,000,000	F & A	....		....	....	....
" J 4's................1904-1919	1,000,000	M & N	....		....	....	....
" K 4's................1905-1920	1,000,000	J & J	....		....	....	....
Small bonds............	....	......	....		....	....	....
INDUSTRIAL AND MFG. BONDS.							
Am. Cotton Oil deb. ext. 4½'s....1915	2,919,000	......	98¾	May 5,'05	98¾	98¾	2,000
Am. Hide & Lea. Co. 1st s. f. 6's...1919	7,868,000	M & S	97	May 31,'05	98	96¾	94,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	1,750,000	M & S	96	May 26,'05	96	94	51,000
Am.Thread Co..1st coll.trust 4's.1919	6,000,000	J & J	88	May 25,'05	88	87¼	12,000
Am. Tobacco Co. 40 yrs g, 6's....1944	50,769,750	A & O	112¼	May 31,'05	114	110¼	1,854,500
" registered................		A & O	111¼	May 8,'05	111¾	111¼	10,500
" g. 4's.................1951	73,757,000	F & A	74⅜	May 31,'05	74¼	72	1,921,000
" " registered...........		F & A	72¼	May 24,'05	72¼	72¼	500
Barney & Smith Car Co. 1st g.6's.1942	1,000,000	J & J	105	Jan. 10,'04	....	....	....
Consol. Tobacco Co. 50 year g. 4's.1951	157,378,200	F & A	79¾	May 31,'05	80⅛	79	47,000
" registered................		F & A	85¼	Dec. 3,'04	....	....	....
Dis. Secur. Cor. con. 1st g. 5's....1927	13,609,000	A & O	79⅛	May 31,'05	80¼	77⅛	630,000
Dis. Co. of Am. coll. trust g 5's..1911	2,090,000	J & J	99	Sept.16,'03	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	99	Jan. 17,'99	....	....	....
" non. conv. deb. 5's.......1910	7,000,000	A & O	92	Feb. 23,'04	....	....	....
Internat'l PaperCo. 1st con.g 6's.1918	9,724,000	F & A	110	May 17,'05	110	109	89,000
" con.conv.sinkgfundg5s1935	5,000,000	J & J	94½	May 31,'05	95	94	66,000
Int. Steam Pump 10 year deb. 6's.1913	2,500,000	J & J	105	May 26,'05	105	105	12,000

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MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
Knick'r'ker IceCo.(Chic)1st g 5's.1928	1,937,000	A & O	98	Feb. 3,'05	....	....	....
Lack. Steel Co., 1st con. g. 5's....1923	15,000,000	A & O	105	May 31,'05	105¼	104¾	161,000
Nat. Starch Mfg. Co., 1st g 6's...1920	2,849,000	J & J	87½	May 4,'05	87½	87½	2,000
Nat. Starch. Co's fd. deb. g. 5's..1925	4,137,000	J & J	59	May 31,'05	60	59	18,000
Standard Rope & Twine 1st g. 6's.1946	2,740,000	F & A	54½	May 9,'05	54½	50	12,000
Standard Rope&Twine inc.g.5s..1946	6,806,000	......	4	May 24,'05	5⅞	4	66,000
United Fruit Co., con. 5's........1911	2,249,000	M & S	....	....	....	....	....
U. S. Env. Co. 1st sk. fd. g. 6's...1918	1,624,000	J & J	....	....	....	....	....
U. S. Leather Co. 6% g s. fd deb..1915	5,280,000	M & N	109½	May 18,'05	110	108½	4,000
U. S. Reduction & Refin. Co. 6's..1931	....	......	95	May 27,'05	96¾	91	163,000
U.S. Realty & Imp.con.deb.g.5's.1924	13,284,000	......	101	May 24,'05	101½	100	94,000
U.S.SteelCorp.10-60yr.g.sk.fd5's 1963	....	M & N	93¼	May 31,'05	94⅞	92¼	9,049,000
" " " reg. 1963	170,000,000	M & N	92⅞	May 31,'05	95¼	92¼	42,000
Va.Carol Chem. col.tr.s.fd.g.5's..1912	6,500,000	A & O	99⅞	May 26,'05	99⅞	99⅝	24,000
BONDS OF COAL AND IRON COS.							
Col. Fuel & Iron Co. g. s.fd. g 5's..1943	5,855,000	F & A	105	May 31,'05	105	104	35,000
" conv. deb. g. 5's.........1911	1,710,000	F & A	85	May 16,'05	85	85	5,000
" " registered..............		F & A	....	....	....	....	....
" " Trust Co. certfs......	12,358,000	......	87½	Apr. 19,'05	....	....	....
Col. C'l & I'n Dev.Co. gtd g.5's..1909	700,000	J & J	55	Nov. 2,19'	....	....	....
" Coupons off................	....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's.......1919	600,000	M & N	107½	Oct. 7,'04	....	....	....
Grand Riv. C'l & C'ke 1st g. 6's.1919	949,000	A & O	102½	July 26,'02	....	....	....
Col.Inds.1st cv g&col tr gt5s ser A1934	12,378,000	F & A	71⅛	May 31,'05	73⅞	68	450,000
" registered....................	....	F & A	....	....	....	....	....
" 1st g & col tr gt 5s ser B.1934	12,537,000	F & A	69¾	May 31,'05	71	66½	1,929,000
" " registered.............	....	F & A	....	....	....	....	....
Continental Coal 1st s. f. gtd. 5's..1952	2,750,000	F & A	107⅝	Dec. 12,'04	....	....	....
Jeff. & Clearf. Coal & Ir. 1st g. 5's1926	1,588,000	J & D	105½	Oct. 10,'98	....	....	....
" 2d g. 5's...................1926	1,000,000	J & D	102½	Oct. 27,'03	....	....	....
Kan. & Hoc. Coal&Coke 1st g.5's1951	3,000,000	J & J	107	May 4,'05	107	107	1,000
Pleasant Valley Coal 1st g. s.f.5s.1928	1,131,000	J & J	106¼	Feb. 27,'02	....	....	....
Roch & Pitts.Cl&Ir.Co.pur my5's.1946	1,064,000	M & N	....	....	....	....	....
Sun. Creek Coal 1st sk. fund 6's..1912	835,000	J & D	....	....	....	....	....
Tenn. Coal, Iron & R.R. gen. 5's..1951	3,526,000	J & J	98	May 27,'05	99½	98	65,000
" Tenn. div. 1st g. 6's......1917	1,160,000	A & O	109½	May 22,'05	109½	109½	1,000
" Birmingh. div. 1st con.6's1917	3,603,000	J & J	112	May 29,'05	112	112	4,000
Cahaba Coal M. Co..1st gtd.g.6's1922	854,000	J & D	102	Dec. 28,'03	....	....	....
De Bardeleben C&ICo.gtd.g.6's1910	2,716,500	F & A	104⅝	May 29,'05	105	103¾	38,000
Utah Fuel Co. 1st s. f. g. 5's......1931	853,000	M & S	....	....	....	....	....
Va. Iron, Coal & Coke, 1st g. 5's...1949	6,335,000	M & S	87	May 23,'05	89	86	167,000
GAS & ELECTRIC LIGHT CO. BONDS.							
Atlanta Gas Light Co. 1st g. 5's..1947	1,150,000	J & D	....	....	....	....	....
B'klyn Union GasCo.1st con g. 5's.1945	14,498,000	M & N	113½	May 29,'05	116	113	41,000
Buffalo Gas Co. 1st g. 5's.........1947	5,900,000	A & O	68	May 3,'05	68	68	2,000
Columbus Gas Co., 1st g. 5's......1932	1,215,000	J & J	104½	Jan. 28,'98	....	....	....
ConsolidatedGasCo.,con.deb.6's..1909	19,857,500	J & J	169	May 24,'05	176⅞	169	384,000
Detroit City Gas Co. g. 5's.......1923	5,608,000	J & J	102¼	May 20,'05	103	101½	34,000
Detroit Gas Co. 1st con.g.5's.....1918	381,000	F & A	105	June 2,'03	....	....	....
Eq. G. L. Co. of N. Y. 1st con.g.5's.1932	3,500,000	M & S	102½	Nov. 5,'04	....	....	....
Gas. & Elec. of Bergen Co, c.g.5s.1949	1,146,000	J & D	67	Oct. 2,'01	....	....	....
Gen. Elec. Co. deb. g. 3½'s 1942	2,049,400	F & A	92½	May 27,'05	92½	92½	2,000
Grand Rapids G. L. Co. 1st g.5's.1915	1,225,000	F & A	107¾	Dec. 17,'04	....	....	....
Hudson Co. Gas Co. 1st g. 5's....1949	10,290,000	M & N	109½	Feb. 10,'05	....	....	....
Kansas City Mo. Gas Co. 1st g 5's.1922	3,750,000	A & O	100	May 5,'05	100	100	1,000
Kings Co. Elec. L.&Power g. 5's..1937	2,500,000	A & O	....	....	....	....	....
" purchase money 6's....1997	5,010,000	J & J	124½	May 11,'05	124⅛	124⅛	5,000
Edison El.Ill.Bkln 1st con.g.4's.1939	4,375,000	J & J	94½	Apr. 28,'05	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	10,000,000	Q F	108½	May 31,'05	109	108	29,000
" small bonds.................							
" refdg. & enten 1st g.5s.1934	5,000,000	A & O	105½	May 20,'05	105½	105½	1,000
Milwaukee Gas Light Co. 1st 4's..1927	7,000,000	M & N	92	May 27,'05	92	92	10,000
Newark Cons. Gas, con. g. 5's....1948	5,274,000	J & D	90¼	July 30,'04	....	....	....
N.Y.GasEL.H&PCo1st col tr g 5's.1948	15,000,000	J & D	110⅞	May 23,'05	111¼	110½	41,000
" registered....................		J & D	110¼	Dec. 30,'04	....	....	....
" purchase mny col tr g 4's.1949	20,927,000	F & A	92¼	May 31,'05	92⅞	92	113,000
Edison El. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	104¼	May 31,'05	104¼	104⅛	2,000
" 1st con. g. 5's...........1995	2,156,000	J & J	119½	Apr. 19,'05	....	....	....
N.Y.&Qus.Elec.Lg.&P.1st.c.g.5's1930	2,272,000	F & A	106	May 31,'05	106	106	24,000
N.Y.& RichmondGasCo.1st g. 5's.1921	1,000,000	M & N	103	May 22,'05	103	103	5,000
Paterson&Pas. G.&E. con.g.5's..1949	3,317,000	M & S	105¼	May 10,'05	105¼	105¼	4,000
Peo. Gas & C. C. 1st con. g 6's...1943	4,900,000	A & O	123¾	May 15,'05	123¾	123¾	5,000
" refunding g. 5's........1947	2,500,000	M & S	107½	May 18,'05	108	107½	9,000
" refuding registered....		M & S	....	....	....	....	....

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MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	MAY SALES. *High*	MAY SALES. *Low.*	MAY SALES. *Total.*
Chic.Gas Lt&Coke 1st gtd g.5's.1937	10,000,000	J & J	109½	May 25,'05	109½	108½	19,000
Con. Gas Co.Chic. 1st gtd.g.5's.1936	4,346,000	J & D	109	May 25,'05	109	108¼	12,000
Eq.Gas&Fuel,Chic.1stgtd.g.6's.1905	2,000,000	J & J	102	Apr. 6,'05	....	....	....
MutualFuelGasCo.1stgtd.g.5's.1947	5,000,000	M & N	107½	Apr.25,'05	....	....	....
" registered..................	....	......	...	....	....	....	....
Syracuse Lighting Co. 1st g. 5's..1951	2,000,000	J & D	....	....	....	....	....
Trenton Gas & Electric 1st g. 5's.1949	1,500,000	M & S	110	May 13,'05	110	110	8,000
Utica Elec. L. & P. 1st s. f'd g.5's.1950	1,000,000	J & J	....	....	...	....	....
Westchester Lighting Co. g. 5's.1950	5,360,000	J & D	113	Jan. 31,'05	....	....	....
TELEGRAPH AND TELEPHONE CO. BONDS.							
Am.Teleph.&Teleg.coll.trust.4's.1929	43,000,000	J & J	98½	May 9,'05	98½	98⅛	19,000
Commercial Cable Co. 1st g. 4's.2397.	10,051,100	Q & J	92	Dec. 17,'04	....	....	....
" registered..................		Q & J	100½	Oct. 3,19'	....	....	....
Total amount of lien, $20,000,000.							
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	1,823,000	M & N	109½	May 18,'05	109½	109½	1,000
" registered..................		M & N					
N. Y. & N. J. Tel. gen. g 5's.......1920	1,261,000	M & N	105¾	July 2,'03	....	....	....
Western Union col. tr. cur. 5's...1938	8,504,000	J & J	111	May 29,'05	112¼	111	34,000
" fundg & real estate g.4½'s.1950	20,000,000	M & N	105	May 27,'05	105⅛	104½	119,000
Mutual Union Tel. s. fd. 6's....1911	1,957,000	M & N	110¼	Mar. 25,'04	....	....	....
Northern Tel. Co. gtd fd.4½'s..1934	1,500,000	J & J	108	July26,'04	....	....	....

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES.

NAME *Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1905. *High.*	YEAR 1905. *Low.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
United States con. 2's registered...1930	542,909,950	Q J	104⅞	104½	104⅞	104½	17,000
" con. 2's coupon............1930		Q J	105⅝	104¾	....	....	......
" con. 2's reg. small bonds..1930		Q J	104⅝	104⅝	....	....	......
" con. 2's coupon small bds.1930		Q J	....	....	....	....	......
" 3's registered..........1908-18	77,135,300	Q F	104¾	103⅞	104	104	1,000
" 3's coupon.............1908-18		Q F	106	103¾	104⅞	103¾	34,500
" 3's small bonds reg.....1908-18		Q F	....	....	....	....	......
" 3's small bonds coupon.1908-18		Q F	....	....	....	....	......
" 4's registered.............1907	156,591,500	J A J&O	106	104½	106	106	1,000
" 4's coupon.................1907		J A J&O	105⅞	104½	104½	104½	150
" 4's registered.............1925	118,489,900	Q F	....	....	....	....	......
" 4's coupon.................1925		Q F	133	132¼	132¼	132¼	5,000
District of Columbia 3-65's..........1924	14,224,100	F & A	....	....	....	....	......
" small bonds.....................		F & A	....	....	....	....	......
" registered......................		F & A	....	....	....	....	......
Philippine Islands land pur. 4's...1914-34	7,000,000	Q F	110	109⅛	109¼	109¼	1,900
STATE SECURITIES.							
Alabama Class A 4 and 5...............1906	6,859,000	J & J	101⅛	101⅛	....	....	......
" " small............	....	....	....	....	....	....	......
" Class B 5's...................1906	575,000	J & J	....	....	....	....	......
" Class C 4's...................1906	962,000	J & J	....	....	....	....	......
" currency funding 4's.......1920	954,000	J & J	....	....	....	....	......
District of Columbia. See U. S. Gov.							
Louisiana new con. 4's................1914	10,752,800	J & J	....	....	....	....	......
" " small bonds..........							
North Carolina con. 4's...............1910	3,397,350	J & J	....	....	....	....	......
" small.........................		J & J	....	....	....	....	......
" 6's.........................1919	2,720,000	A & O	....	....	....	....	......
N. Carolina fundg. act bds......1866-1900	556,500	J & J	....	....	....	....	......
" " 1868-1898		A & O	....	....	....	....	......
" new bonds............1892-1898	624,000	J & J	....	....	....	....	......
" "		A & O	....	....	....	....	......
" Chatham R. R..................	1,200,000	A & O	....	....	....	....	......
" special tax Class 1.............	....	A & O	....	....	....	....	......
" " Class 2..............	....	A & O	....	....	....	....	......
" " to Western N. C. R....	....	A & O	....	....	....	....	......
" " Western R. R..........	....	A & O	....	....	....	....	......
" " Wil. C. & Ru. R........	....	A & O	....	....	....	....	......
" " Western & Tar. R......	....	A & O	....	....	....	....	......

UNITED STATES, STATE AND FOREIGN GOVERNMENT SECURITIES—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int'st paid.*	YEAR 1905. *High.*	YEAR 1905. *Low.*	MAY SALES. *High.*	MAY SALES. *Low.*	MAY SALES. *Total.*
South Carolina 4½'s 20-40	1933	4,392,500	J & J	....	....	....	....	......
So. Carl. 6's act. Mch. 23, 1869, non-fde.	1888	5,965,000	....	....	....	....	....	......
Tennessee new settlement 3's	1913	6,681,000	J & J	97	96	97	97	9,000
" registered		6,079,000	J & J	....	....	....	....	......
" small bond		362,200	J & J	95	95	....	....	......
" redemption 4's	1907	469,000	A & O	....	....	....	....	......
" 4½s	1913	1,000,000	A & O	....	....	....	....	......
" penitentiary 4½'s	1912	600,000	A & O	....	....	....	....	......
Virginia fund debt 2-3's of	1991	17,087,C09	J & J	97⅛	97	....	....	......
" registered			J & J	....	....	....	....	......
" 6's deferred cts. Issue of 1871		2,274,966	....	....	....	....	....	......
" " Brown Bros. & Co. ctfs. of deposit. Issue of 1871		10,416,565	....	19⅞	10	12¼	11	93,C00
FOREIGN GOVERNMENT SECURITIES.								
Frankfort-on-the-Main, Germany, bond loan 3½'s series 1	1901	14,302,000 (Marks.)	M & S	....	....	....	....	......
Four marks are equal to one dollar.								
Imperial Japanese Gov. 6% ster loan.	1911	£10,000,000	A & O	103½	94½	102	97½	1,594,000
Imperial Russian Gov. State 4% Rente		2,310,000,000 (Rubles.)	Q M	....	....	....	....	......
Two rubles are equal to one dollar.								
Quebec 5's	1908	3,000,000	M & N	....	....	....	....	......
Republic of Cuba g. 5's extern debt.	1904	35,000,000	M & S	108	103¼	105½	104½	228,000
" registered			M & S	...	....	....	....	......
U. S. of Mexico External Gold Loan of 1899 sinking fund 5's		....	Q J	....	....	....	....	......
Regular delivery in denominations of £100 and £200		£21,988,200	......	101⅛	100	100⅝	100⅝	5,000
Small bonds denominations of £20		....	......	....	....	....	....	......
Large bonds den'tions of £500 and £1,000.		....	......	....	....	....	....	......
U. S. of Mex. 4'5 gold debt 1904 ser. A.	1954	40,000,000	J & D	95	94¾	95	94¾	151,000
" " " ser. B.	1954		J & D	....	....	....	....	......

BANKERS' OBITUARY RECORD.

Allen.—Frederic P. Allen, Cashier of the German-American Bank, Rochester, N. Y., died May 4. He was born in Rochester in 1853, and after completing his schooling he entered the internal revenue office as Cashier, and later became connected with the Traders' National Bank. On the establishment of the German-American Bank Mr. Allen was chosen Cashier, and continued to hold that office till his death.

Clark.—John W. Clark, President of the First National Bank, of Glen Campbell, Pa., died April 30, aged fifty-nine years.

Clark.—Fred R. Clark Cashier of the First National Bank, Wahoo, Neb., died May 16. He was born at Fort Calhoun, Neb., forty-two years ago.

Converse.—H. S. Converse, Cashier of the Farmers and Merchants' Bank, Okeene, Okla., died April 27.

Conwell.—John A. Conwell, President of the First National Bank, Aurora, Ind., died at his home in that city May 29, aged sixty-six years. He was a gentleman of high character, and universally esteemed as a safe and reliable business man.

Copeland.—M. B. Copeland, President of the Middletown (Ct.) National Bank, since 1883, died May 13, in his seventy-seventh year.

Gooderham.—George Gooderham, President of the Bank of Toronto, Toronto, Ontario, died May 1. Besides his banking connection, he was identified with a number of other Canadian enterprises.

Gunther.—Hon. F. T. Gunther Vice-President of the National Deposit Bank, Owensboro, Ky., died May 13, aged sixty-nine years.

Hadden.—Crowell Hadden Jr., Secretary of the Franklin Trust Co., Brooklyn, N. Y., died May 13, aged thirty-nine years. He had been connected with the company from the time of its organization.

Jinkins.—Frank P. Jinkins, who organized the First National Bank, Aberdeen Miss., and was its President for about fifteen years, died April 10, aged forty-seven years.

Keith.—Elbridge G. Keith, President of the Chicago Title and Trust Co., and from 1884 to 1892 President of the Metropolitan National Bank, of Chicago, and in 1882 President of the Chicago Clearing-House Association, died May 18. He was also President of the Commercial Club and the Bankers' Club. Mr. Keith was born in Vermont in 1840, but passed his business life in Chicago.

Leonard.—J. Frank Leonard, First Vice-President of the First National Bank, Kankakee, Ill., died May 11. He was born in Bennington County Vt., in 1847. In 1858 his father moved with the family to Illinois and in 1869 located at Kankakee. The elder Mr. Leonard died in 1872 leaving a widow and his only child, Frank. The latter engaged in business early in life and became very successful. He was also prominent in politics, having been constable, deputy sheriff, city marshal, city collector, alderman, mayor, county supervisor, circuit clerk for twelve years, assistant clerk in the State Senate and supervisor at the Eastern Illinois Hospital. He had taken the thirty-second degree in masonry. For a time he was Cashier of the First National Bank. and about two years ago was elected First Vice-President.

Llewellyn.—W. S. Llewellyn, President of the Farmers and Drovers' State Bank, Seymour, Iowa, died April 27, aged eighty-five years. He was a large land-owner and the wealthiest man in Wayne county.

Pearce.—Charles B. Pearce Assistant Cashier of the State National Bank, Maysville, Ky., and one of the founders of the bank died May 15, aged eighty-two years.

Pople.—George Pople, President of the Queens County Savings Bank, Flushing, N. Y., died May 15, aged eighty-two years. He came to Flushing from England in 1842.

Pugh.—Dr. J. Howard Pugh, for thirty-six years President of the Mechanics' National Bank, Burlington, N. J., died April 30, aged seventy-eight years. He was also President of the Burlington City Loan and Trust Co. and Vice-President of the Burlington Savings Institution for a long period.

Quinn.—James C. Quinn, Vice-President of the First National Bank, Chillicothe, Ohio, since January 14, 1896, died May 4, aged fifty-seven years.

Robinson.—W. B. Robinson senior member of the firm of Robinson Bros., bankers, Palestine, Texas, died April 29. He was born in South Carolina, going to Texas in 1872 and locating at Fairfield, where he practiced law until 1880, when he moved to Palestine and engaged in the banking business.

Sanford.—Edwin L. Sanford, for many years President of the City National Bank, Bridgeport, Ct., died May 11, in his seventy-third year. He became a director of the bank in 1877 and in 1893, when Daniel N. Morgan was appointed United States Treasurer by President Cleveland Mr. Sanford succeeded Mr. Morgan as President of the bank.

Sexton.—Frederick G. Sexton, Cashier of the United States National Bank, Hartford, Ct., died May 6, aged fifty-five years. Mr. Sexton first entered the bank as a bookkeeper and was later promoted to be Cashier, which position he had held for twenty years.

Speer.—Charles Edward Speer, for fifteen years President of the First National Bank, Pittsburg, Pa., died May 2, aged sixty-eight years. He had been connected with the First National Bank from the time he was eighteen years old, entering the bank's service as a messenger.

Wheeler.—Albert Wheeler, President of the Western Reserve National Bank, Warren, Ohio, from its organization in 1885, died May 1, in his seventy-ninth year.
